DAILY REPORT

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## LIAOWANG ON U.S., UK WITHDRAWAL FROM UNESCO

HK090953 Beijing LIAOWANG in Chinese No 51, 23 Dec 85 p 6

[Article by Jiao Kewan: "A Short-Sighted Decision -- On the United States and The United Kingdom Withdrawing From UNESCO"]

[Text] Following the United States, which formally withdrew from UNESCO last year, on 5 December, the British Government also formally affirmed the decision it made a year ago and announced it would withdraw from UNESCO the following year. This action of two major Western nations in succession has caused UNESCO to become bogged down in a crisis over the last 2 years. There is extensive concern over the future development of this organization.

Although the timing of their withdrawals were different, and although the United States and the United Kingdom asserted there was no "coordinated action" in terms of policy between them, from their various criticisms of the organization, it is not hard to sense the real meaning behind these different approaches that converge on the same goal.

The main reasons behind the U.S. and British withdrawal from UNESCO lie in their assertions that the organization has been "politicized" in recent years, its budget growth rates are excessively high, its plans are unduly decentralized, and its administrative and financial affairs are mismanaged. True, like many other UN organizations, UNESCO is laden with malpractices such as overstaffing, high personnel expenses, bureaucracy, and red tape. It has over extended itself in carrying out its professional activities, and some projects undertaken have produced little practical result. The criticisms of the United States, the United Kingdom and other countries of UNESCO in this regard are not without some equitable elements. UNESCO should make real and earnest efforts to improve its work; to abolish malpractice, to raise efficiency and better meet the needs of current developments; to promote the development of the vast numbers of member states, in particular Third World countries; and to promote cultural and scientific cooperation among states.

However, the withdrawal action taken by the United States and the United Kingdom is a continuation of the protracted struggle waged by various political forces in the organization, rather than an isolated and accidental event. UNESCO was established in 1946, and the United States and the United Kingdom are among its founding members. For the first 10 or 20 years, the United States, the United Kingdom, and a few other Western countries consistently held a leading position in it. However, time passes and the world is changing. The rise and growth of the Third World and the increased influence of the Soviet Union have caused Western countries to gradually lose their superior position in UNESCO, a position they enjoyed in the early days of the organization. Over the last decade, the trend has become more obvious and the contradiction, already long standing, between UNESCO and Western countries has become more acute. By taking the drastic action of withdrawing from UNESCO, the United States used its strong position as the biggest dues-paying member (membership dues paid by the United States constituted 25 percent of the total) and, by imposing economic pressure, attempted to reverse the trend by which the organization was getting out of their control. As far as the whole UN system is concerned, this move is not without the motive of "executing one as a warning to a hundred."

This action taken by the United States and the United Kingdom has won the official sympathy and support of some Western countries but has also been widely critized by people at home and abroad, particularly in intellectual and academic circles. Even in the Congress and Parliament of their own countries there are strong dissenting opinions. Over the last 2 years, some progress has been made in the work of reforming the organization, thanks to the concerted efforts of all concerned.

The 23d Session of UNESCO held recently in Sofia was quite a success. British persistence in withdrawing from UNESCO against this backdrop is particularly unpopular. When the decision was discussed in the British Parliament, no wonder the British Government was accused of having "yielded pitifully to pressure from the United States," of "being short-sighted," and of being "a bit parochially nationalist."

The action by the United States and Britain is not an insignificant blow to UNESCO. However, the organization is bound to tide itself over the current crisis and to play its unique role in international cooperation. People are deeply convinced of this. One of the 16 UN specialized agencies, UNESCO established to carry out collaboration among states in education, science, culture, and information. Its unique advantage lies in its extremely rich store of comprehensive and up-to-date knowledge, information, experience, and ideas, and in its ability to help many countries work out their macroeconomic development strategies and specific principles for their educational, scientific, and cultural undertakings, and not in any ability to provide member states with large quantities of financial assistance. The scientific projects it is conducting among states in such areas as hydrology, geology, ecology, and oceanology are well appreciated and received by member states. Its great achievements in wiping out illiteracy, training personnel, and protecting historical relics and historic sites are all generally acknowledged by the world community. The continued existence and vigorous growth of UNESCO is not only in the interests of the vast numbers of developing countries but also in the immediate interests of the developed countries including the United States and the United Kingdom. This is why quite a few people of vision in the United States and the United Kingdom are strongly opposed to action aimed at weakening UNESCO and its principles, which are of universal significance.

It has been learned from informed sources, that since its legal seat in UNESCO was restored in 1971, China has firmly and consistently supported the organization with its useful work in helping member states, particularly the vast numbers of developing countries, to develop their educational, scientific, and cultural undertakings. In view of the difficulty facing the organization, in a talk with foreign friends in April of this year, Wu Xuegian, Chinese minister of foreign affairs, reaffirmed that China would continue to support UNESCO as before, and also support its efforts to improve work through reform. He declared that the Chinese Government had voluntarily contributed a total of $600,000 to UNESCO to help the organization overcome its financial difficulties. This principled stand by the Chinese Government was well received in all quarters.

The present difficulties facing UNESCO are grim but transient, and they can be overcome. The reason for this is very simple: Safeguarding and improving this organization is in the common interest of its 158 member states (with the exception of the United States and the United Kingdom). With concerted efforts by various countries in the course of overcoming crises, UNESCO will become more prosperous and mature.

## U.S. BEGINS DEPLOYING CRUISE MISSILES IN FRG

OW091758 Beijing XINHUA in English 1643 GMT 9 Jan 86

[Text] Bonn, January 9 (XINHUA) -- The United States has begun deploying cruise missiles in Federal Germany, according to the military sources here today. The sources said that the deployment of Pershing 2 and cruise missiles, agreed by the North Atlantic Treaty Organization (NATO) in 1979, was "proceeding according to the plan." The NATO decided in 1979 to deploy 108 Pershing 2 and 96 cruise missiles in five West European nations including Federal Germany so as to meet the threat of Soviet SS-20 missiles. All the Pershing 2 missiles had arrived at their scheduled locations in that country at the end of last year, the military sources said.

XINHUA ROUNDUP OF SOVIET-JAPANESE RELATIONS

OW100730 Beijing XINHUA in English 0707 GMT 10 Jan 86

[Text] Beijing, January 10 (XINHUA) -- A scheduled visit by Eduard Shevardnadze to Japan beginning January 15, the first by a Soviet foreign minister in nine years, indicates a major step to improve Moscow's long-strained relations with Tokyo. The relations between the neighboring countries deteriorated after Soviet troops invaded Afghanistan and Tokyo joined in the economic sanctions against Moscow in 1979. The deadlock continued until Mikhail Gorbachev took over as the Kremlin leader last spring.

The meeting last March between Gorbachev and Japanese Prime Minister Yasuhiro Nakasone during the funeral of former Soviet leader Konstantin Chernenko, the first between the two countries' top leaders in 12 years, was the earliest sign of a thaw in bilateral relations. It was at that meeting that Gorbachev agreed to send the Soviet foreign minister to Tokyo for an official visit, which was delayed by the Soviet side on several occasions.

The Gorbachev-Nakasone meeting in Moscow was followed by increased contacts between ranking officials of the two countries. Soviet Deputy Foreign Minister Mikhail Kapitsa and Cultural Minister Petr Demichev visited Tokyo and Japanese Socialist Party leader Mashashi Ishibashi and Speaker of the House of Representatives Sakata Michita toured Moscow. Meanwhile, bilateral trade increased slightly last year, reversing a decline during 1983-1984. Negotiations on fisheries and cultural exchanges, which had been stalemated for many years, were taken up again.

The Soviet Union has stated that the present state of relations "does not correspond either to the political weight of the two countries in world affairs, or their economic potential." The Soviets have said that there is much to do to increase mutual trust, especially through active political dialogue. In a positive response to the Soviet call for better relations, Japanese Foreign Minister Shintaro Abe announced at the end of 1985 that he would pay a return visit to Moscow in 1986, and Nakasone and Gorbachev may also exchange visits if the Soviet foreign minister's Tokyo trip proves successful.

Reportedly, during his five-day visit to Tikyo, Shevardnadze will sign with Abe an agreement help Japanese and Soviet expatriates to avoid paying income tax to both countries. The two sides will more than likely reach agreements on cultural exchanges and scientific-technological cooperation.

There are also indications that the Soviet foreign minister's trip is not likely to produce a breakthrough in the territorial dispute, which concerns Japan's four northern islands occupied by the Soviets since the end of the Second World War. Two weeks ago, Nakasone declared that Japan would ask the Soviet Union to reaffirm the existence of the territorial issue acknowledged in the Tanaka-Brezhnev joint statement in 1973 as one of the post-war pending problems between the two countries. No joint communique will be issued on the foreign ministers' meeting unless the territorial issue was discussed, he said.

Meanwhile, the Soviet official news agency TASS on January 8 described Japan's claim to the northern islands as "unsubstantiated and unlawful" and "an artifically created obstacle" to the improvement of bilateral relations. An earlier TASS report said that the upcoming talks between the two foreign ministers "should center on those issues on which both sides share identical or similar views." This serves to hint that the Soviet side would refuse to discuss the territorial problem.

The Soviet Union and Japan have not signed a post-war peace treaty precisely because of their territorial dispute and it is clear that the argument will remain the major obstacle to normalized relations.

Differences also exist on economic and trade issues. Japan was previously the Soviet Union's biggest trading partner among non-communist countries, and now it is fifth or sixth. Bilateral trade dropped to 2.6 billion U.S. dollars in 1984 from 5.6 billion dollars in 1982. In an ambitious new economic blueprint, Moscow has decided to speed up the country's economic development by doubling national income and industrial production by the end of the century. The Kremlin is eager to get loans and advanced technology from Japan to accelerate the development of Siberian natural resources and has proposed to the Japanese Government the signing of a long-term agreement on economic cooperation. Japan agrees to increase economic and trade ties but insists that the four islands be returned before such an agreement is concluded. According to Japanese newspapers, no big increase is expected in Soviet-Japanese trade because Japanese business people are still not interested in expanding imports from the Soviet Union.

Views are divergent between the two countries on a series of political issues. Moscow has taken every chance to attack Japan's relations with the United States and has tried to drive a wedge into them. Meanwhile, Tokyo has maintained pressure on the Soviet Union to withdraw its troops from Afghanistan and to reduce its nuclear missiles deployed in the Far East. Moscow is looking for Tokyo's support for a dialogue on Asian security, but Japan has made it clear that it will reject the Soviet proposal.

There appears to be a better chance for Moscow and Tokyo to increase political dialogue and economic, trade and cultural cooperation as both feel the need to do so. However, unless ended, their territorial dispute, now well into its fifth decade, will make it impossible for the two sides to make significant improvements in their relations.

## CPPCC'S ZHOU PEIYUAN FETES U.S. SCIENTISTS

OW091258 Beijing XINHUA in English 1245 GMT 9 Jan 86

[Text] Beijing, January 9 (XINHUA) -- Zhou Peiyuan, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, met and feted here this evening John Holdern, chairman of the American Federation of Scientists, and his party. Holdern and his party arrived here yesterday at the invitation of the Chinese People's Association for Peace and Disarmament, of which Zhou is the president, and the Association for International Understanding of China.

## WEINBERGER ARGUES FOR MORE MILITARY SPENDING

OW092016 Beijing XINHUA in English 2006 GMT 9 Jan 86

[Text] Washington, January 9 (XINHUA) -- In an effort to bolster his arguments for increased military spending, U.S. Defense Secretary Caspar Weinberger claimed today that the Soviet Union now has 45 operational SS-25 nuclear missiles.

In a speech prepared for delivery to the Carnegie Endowment for International Peace, a Washington-based think-tank, Weinberger said, "Today I can confirm that the Soviets now have 45 operationally deployed SS-25s, a number which represents a continual growth in this threat." Last month he accused the Soviets of having placed 27 of the SS-25s in the field. These numbers, he said, are "conservative since we expect additional deployment in the very near future".

The defense secretary repeated his assertion that the Soviet deployment of SS-25 intercontinental ballistic missiles "is a clear violation of the SALT-2 accord and provides fresh evidence of the need for a meaningful arms control agreement." Such an agreement, he argued, will never by achieved unless the United States demonstrates to the Soviet Union that "we are willing and able to pay the price in order to negotiate from the position of strength." "Only by sustaining our defense program can we maintain the incentives needed to ensure Soviet agreement and compliance" with existing arms control accords, he stressed.

Weinberger said it is U.S. President Ronald Reagan's defense policies, which have cost one trillion U.S. dollars in the past five years, that have forced the Soviet Union to resume arms control negotiations. But those policies are now being jeopardized by a new balanced-budget bill approved by Congress and signed into law by Reagan at the end of last year, he said. That law requires complete elimination of federal deficits by 1991, and the Pentagon must shoulder half of the spending cuts during that period if Congress and the President fail to approve budgets that meet the deficit reduction targets. The defense secretary is expected to ask for three percent real growth in defense spending for next year in a budget to be submitted to Congress early next month.

## EIGHT SOVIET SATELLITES SENT INTO ORBIT

OW091849 Beijing XINHUA in English 1843 GMT 9 Jan 86

[Text] Moscow, January 9 (XINHUA) -- The Soviet Union today put eight satellites designed for space exploration into orbit with one carrier rocket, the TASS news agency reported. TASS said the artificial earth satellites, numbered from "Cosmos-1716" to "Cosmos-1723," carry scientific instruments designed to "continue the space exploration program."

The eight satellites are moving in orbits ranging from 1447 kilometres to 1516 kilometres above the earth, and all the instruments abroad the Sputniks are functioning normally, TASS said. In addition, another satellite was launched yesterday for "the space exploration program," according to an earlier TASS report.

## TASS ON U.S. ISOLATION DUE TO LIBYAN SANCTIONS

OW100252 Beijing XINHUA in English 0239 GMT 10 Jan 86

[Text] Moscow, January 9 (XINHUA) -- Soviet Foreign Minister Eduard Shevardnadze today said the United States is isolating itself by imposing sanctions against Libya and will never succeed.

Accusing Washington of "flagrantly disregarding Libya's state sovereignty," Shevardnadze said the sanctions against Tripoli underlie the U.S. "philosophy of new globalism and its hegemonistic policy." What is behind the U.S. sanctions is "the flagrant and pointed disregard for the sovereignty of states and for their right to organize their lives as they wish," Shevardnadze said at a dinner honoring Yugoslav Foreign Minister Raif Dizdarevic.

U.S. President Ronald Reagan Tuesday announced comprehensive measures against Libya for alleged Libyan complicity in terrorist raids on the Rome and Vienna airports two weeks ago. The attacks killed 19 people and wounded more than 100. Reagan ordered all American citizens to leave the Middle East country, cut economic ties and freeze all Libyan assets in the United States. Washington has asked its allies to isolate Triopli by joining the sanctions, but many so far appear reluctant to take part in the ban.

"All the progressive countries are opposed to the anti-Libyan conspiracy. Its organizers, themselves, have turned out to be in international isolation," Shevardnadze told Dizdarevic, who arrived in Moscow yesterday for an official visit. Meanwhile, the official Soviet news agency TASS today quoted a government statement as saying that the United States should "weigh seriously the dangerous consequences" of its actions against Libya and "take in hand its overweening partner Israel."

U.S. warships of the Six Fleet reportedly are increasing activities in the Mediterreanean off the Libyan coast in the aftermath of the two airport attacks. "Alongside these demonstrative military actions in the waters of the Mediterranean in proximity to Libya the United States is in every way pushing Israel toward an attack on that country," the statement said. Earlier, TASS accused Washington's sanctions of being a prelude to an armed attack.

XINHUA RECALLS ZHOU ENLAI VISITS TO DPRK

OW090554 Beijing XINHUA Domestic Service in Chinese 1435 GMT 8 Jan 86

[Newsletter: Premier Zhou Enlai in Korea -- by XINHUA reporter Gao Haorong]

[Text] Pyongyang, 8 Jan (XINHUA) -- In a central area of Hungnam Chemical Fertilizer Plant of Hamhung City, Korea, stands a bronze statue of Premier Zhou Enlai. The Korean paper NODONG SINMUN, in an article published on 8 January commemorating the 10th anniversary of his death, says the statue marks the Korean people's respect for the premier.

In the minds of the Korean people, Premier Zhou Enlai was an exceptionally cordial and deeply affectionate comrade-in-arms and friend. He was deeply concerned about the consolidation and development of Sino-Korean friendly relations. On many occasions, he met Kim Il-song and other Korean leaders in Beijing and established close friendly ties with them. He also made several visits to Korea to convey the friendship of the Chinese people to the Korean people. As a result, he promoted the continuous development of Sino-Korean friendship.

The Korean people will never forget the scene when Premier Zhou Enlai visited Korea in Frebruary 1958. On 20 February of that year, Premier Zhou Enlai, accompanied by President Kim Il-song, visited Hwanghae Iron and Steel Plant. On their way, they called on some people who had lost their kinfolk in the Korean war. Among them was Yi Chil-song, known as the "mother of volunteers." Premier Zhou Enlai said to Yi Chil-song: "You are a very strong-willed woman. I wish to thank you very much for what you did, for cherishing and caring for the volunteer fighters." Afterwards, Premier Zhou asked a member of his entourage to send a woolen blanket to Yi Chil-song with his name card. This granny, now 70 years old, could not keep tears from welling up in her eyes when she talked about meeting Premier Zhou. Touching the blanket and name card that she had carefully kept for decades, she said to this reporter: "Premier Zhou was really a great man! These things are the heirlooms of our family. We want to pass them on from generation to generation."

During that visit to Korea in 1958, Premier Zhou made a trip to Sangyang Village, Sunnan County, Pyongyang. An old woman in her 60's named Choe Sa-yol, held Premier Zhou's hand and emotionally expressed her gratitude for the volunteers' kindness in saving her from a raging fire. At this time, President Kim Il-song used his fluent Chinese to accurately correct the interpreter's words, and added that the granny's remark expressed the Korean people's feeling toward the Chinese people. Holding the granny's hand, Premier Zhou said: "Speaking of kindness, Korea and China are kind to each other because we helped you and you protected us. Speaking of gratitude, both the Korean and Chinese peoples should thank the People's Army and the volunteers, who jointly safeguarded the security of the two peoples by fighting shoulder to shoulder." Comrade Chen Yi, who accompanied Premier Zhou on that visit to Korea, wrote a poem entitled "At Korea's Sangyang Village" to record the conversations among Premier Zhou, Kim Il-song, and the granny. His poem reads:

"I am a member of the Chinese delegation,
not a poet at all.
But today I see,
Between the Chinese premier and the Korean leader
Stands a woman peasant.
The conversations among the three
Are really moving
And full of kind feeling!
This is a real-life and beautiful verse
Which touched me with such a great force
That I, though not a poet, want to chant it."

Now, Hungnam Chemical Fertilizer Plant in Hamhung City is frequented by Chinese comrades visiting Korea. On the morning of 16 February 1958, Premier Zhou, braving heavy snow, came to Hungnam Chemical Fertilizer Plant and delivered an inspiring speech to more than 30,000 people. Several decades have passed, but those who heard Premier Zhou's speech can still remember clearly the scene at that time. Chon Hui-rong, who was then the head of the plant's foreign affairs section, responsible for receiving Premier Zhou, recalled: At that time, the masses crowded the square. Some even climbed onto roofs and up the hill at the back to hear Premier Zhou's speech. There was warm applause again and again. To commemorate Premier Zhou's historic contributions to Sino-Korean friendship, a statue and a monument were erected here by the Korean people on 26 May 1979. Son Tong-hol, propaganda secretary of the plant's party committee, told this reporter that the site of Premier Zhou's statue was chosen personally by President Kim Il-song, who said that because Premier Zhou liked to be with the masses, the statue should be erected where he delivered the speech to the workers. Since the completion of the statue, Hungnam Chemical Fertilizer Plant has taken good care of it as a way to show respect for Premier Zhou. The plant has assigned four full-time employees to do the job of cleaning the square in front of Premier Zhou's statue, growing flowers and planting trees, and keeping the surroundings in good condition. Kim Ki-pong, chairman of the plant's Socialist Working Youth League, told this reporter: To make the plants around Premier Zhou's statue grow more luxuriously, members of our Socialist Working Youth League used their spare time to replace the soil around the statue with fresh soil. In spring of 1984, they replanted flowers, grass, and trees. Each year, on the anniversary of Premier Zhou's death and major Chinese festivals, people come to place bouquets before the statue on their own initiative as an expression of their memory of Premier Zhou. Korean visiting groups have been formed to pay respects to Premier Zhou's statue at Hungnam Chemical Fertilizer Plant. It is said that the number of visitors has reached some 80,000 a year.

Through the two official visits in 1958 and 1970, together with his several unofficial visits to Korea, Premier Zhou Enlai left his footprints of friendship on this land. What has been said here describes only several episodes of his 1958 visit and tidbits of the Korean people's deep friendship for him. Today, the friendly solidarity of the peoples of China and Korea continues to be consolidated and developed under the loving care of the leaders of the two countries. In reviewing the history of Sino-Korean friendship, the peoples of the two countries cannot forget the brillant name of Premier Zhou Enlai.

## BEIJING KOREAN ON S. KOREAN STUDENT PROTESTS

SK090611 Beijing International Service in Korean 1100 GMT 7 Jan 86

[Unattributed talk: "The Struggle of the South Korean Students Is Continuously Expanding"]

[Text] Last year, antigovernment protests by South Korean youths and students were staged one after another. Their struggle showed three clear characteristics:

First, the frequency of antigovernment demonstrations and rallies by youths and students last year increased with each passing day. According to data published by the South Korean authorities, students from 85 universities and colleges staged more than 1,840 antigovernment demonstrations during the first semester, which began last March. The total man-days of the participants are 475,000, showing a three-fold increase over the same period of the previous year.

During the first month of the second semester, students from some 60 universities and colleges staged more than 230 antigovernment demonstrations. What attracts our attention is that members of opposition parties and democratic figures are pushing ahead with their struggle while maintaining relations with the student movement through various means.

Second, the antigovernment struggle of the students gradually began to become organizational in nature. Last year, representatives of students from 23 South Korean universities formed the National Federation of Student Associations in Seoul. According to a report, students from 62 universities have participated in this federation since its founding. Thus, the scale of the student antigovernment effort has expanded.

On the occasions of the 25th anniversary of the 19 April popular uprising and of the 5th anniversary of the 17 May Kwangju popular uprising, students from scores of universities in South Korea staged demonstrations in many places, upholding the appeal of the National Federation of Student Associations. The number of the participants exceeded 30,000. Third, the antigovernment struggle of the students has become fiercer with each passing day. This was shown by the fact that students constantly collided with police during demonstrations. From May to December of last year, students successively occupied U.S. Administration organizations [miguk samu kigu] and some South Korean Government organizations. These acts had great international repercussions, not to mention their effect in South Korea. Even South Korean papers pointed out that the nature of the student movement is changing from a demonstration- to an occupation-oriented struggle.

The antigovernment struggle of the students has become one of the troublesome questions for the South Korean authorities. Although the South Korean authorities have attempted to repress the students through various means, such as canceling the students' registration, wholesale roundup, and prison sentences, and to check the student movement with appeasement tactics, they have achieved only contradictory results. Observers noted that the achievement of goals in the struggle of the South Korean students, who demand national sovereignty and democracy in society, is still far away and their struggle will continue.

## LIAOWANG DISCUSSES EAST EUROPEAN ECONOMIC REFORM

HK090507 Beijing LIAOWANG in Chinese No 51, 23 Dec 85 pp 36-37

[Article by Zhao Naibin: "Common Trends in the Reform of the Economic Structure in East European Countries" -- capitalized passages published in boldface]

[Text] In recent years East European countries have conducted economic structural reforms to varying degrees. This year, the reforms have gained increasingly momentum. As national conditions vary from country to country, these socialist countries have their own principles and methods of carrying out reform. Nevertheless, from what they have done in initiating reform we can discern common trends in their practice.

THE DRIVE FOR DEVELOPMENT THROUGH REFORM IS MARKEDLY GAINING MOMENTUM DAY BY DAY. The reforms carried out by Yugoslavia in the 1950's, and those conducted by other East European countries in the mid-1960's, were targeted mainly at the rigid economic patterns they had previously indiscriminately copied from others. Consequently, an upsurge of reform swept the above-countries mentioned at one time. However, in their subsequent reform, the steps taken were quite different in size and tempo. Some countries suffered relapses in their efforts and others ceased all reform activities. The worldwide economic crisis, which broke out in the second half of the 1970's, had a tremendous influence on some East European countries. Yugoslavia, which had introduced significant reform in its economy and achieved a lot therefrom, was faced with new difficulties. This was also the case with Hungary, which had steadily carried out economic restructuring and had achieved many successful experiences. As far as countries in this category are concerned, it is imperative for them to carry out further reform. Some other countries have introduced little significant structural reform, and malpractice in their existing systems has seriously hindered domestic development. If economic restructuring is not carried out, they will find it difficult to advance smoothly with their economic development. Therefore, in recent years, East European countries have all stressed reforming or perfecting the economic structure to achieve new advances in their own socialist construction.

THE INTENSIVE DEVELOPMENT STRATEGY IS BECOMING INCREASINGLY PRONOUNCED. Faced with worsening economic conditions internationally, and encountering short and strained raw materials, energy, and human resources, as well as large consumption, enormous waste, and slow economic growth rates at home, East European countries are concentrating on switching their economies from the extensive development track to a track of intensive development. The GDR has decided that, in the 1980's, expanded production should be carried out on the basis of intensive development so as to increase the quality and quantity of products by a big margin, to markedly improve economic results, and to continuously boost national income. This development strategy has produced initial results. Other East European countries have also regarded switching to intensive development as the main course of their economic development strategies. Evidently, as far as East European countries are concerned, the tendency of concentrating on extensive development, to the neglect of intensive development in economic terms, has ended. In a period in which a technological revolution has been taking place on a global scale, this is the fundamental way of rapidly promoting the development of productive forces.

THE CO-EXISTENCE OF DIVERSE ECONOMIC SECTORS IS BEING MORE WIDELY REORGANIZED DAY BY DAY. The practical experience of socialism at present has shown that, under socialism, it is impossible for the state sector of the economy to exist on its own. In recent years, all East European countries have agreed and stressed the necessity of the coexistence of diverse economic sectors, asserting that the individual economy in agriculure, industry, and service trades should be developed as a supplement to the socialist economy. While restructuring its economy, Poland stressed ensuring that every economic sector enjoyred equal conditions for development. Interrelated with diverse economic sectors is the problem of ownership. East European countries have all recognized the existence of various forms of ownership, asserting that one should not be over-anxious to initiate a transition from different forms of ownership to a unitary system of ownership by the whole people. In East European countries, the practice of totally negating the existence of an individual economy and the form of individual ownership has ceased to exist. The co-existence of diverse economic sectors and different forms of ownership will last for a long time to come.

THE OPTIMUM COMBINATION OF THE PLANNED ECONOMY AND MARKET MECHANISMS IS UNDER EXPLORATION. One distinctive trend in the economic reforms of East European countries is that their economies are gradually moving to a planned commodity economy. The characteristics of the move are that the guidance character of central planning is stressed, while the positive role of market mechanisms is brought into play. As far as specific steps are concerned, some countries have abolished exclusive mandatory planning in favor of guidance planning. Ohters have reduced mandatory quotas while adhering to central mandatory planning. Meanwhile, East European countries have all stressed the positive role of the market and the application of the regulatory role of economic levers to varying degrees. At present, the phenomenon in which market mechanisms are totally excluded cannot be found anywhere. It must be pointed out that in regard to the question of planning and the market, there are still fairly large differences both in theory and practice between East European countries. Some countries that in the past overemphasized centralized and unified mandatory planning, imposing excessive, rigid controls over their economies and stripping them of vitality, have now recognized the importance of market mechanisms and the application of economic levers. Other countries that in the past put excessive stress on purposeful social planning, which made it difficult for unified social planning to function properly, have now stressed the role the state plays in formulating and implementing unified social plans. To put it briefly, in both cases mentioned above, East European countries are tending to combine planning with relations in the market, in the best possible way.

INVIGORATING THE MICROECONOMY AND CONTROLLING THE MACROECONOMY ARE BECOMING THE FOCUS OF PEOPLE'S ATTENTION DAY BY DAY. The crucial point of invigorating the microeconomy is expansion of the decision-making power of enterprises. In the course of reforming or perfecting the economic structure, East European countries regard it as the most fundamental task to expand the decison-making power of enterprises and to bring the enthusiasm and initiative of enterprises and laborers into full play. Consequently, enterprises have begun to have powers, to varying degrees, in such areas as production; supply; marketing; and human, financial, and material resources, thus providing favorable conditions for invigorating the microeconomy. At present, the practice of completely ignoring microeconomic invigoration and totally excluding expansion of the dicision-making power of enterprises has ceased to exist. However, more often than not, microeconomic invigoration will readily cause the macroeconomy to run out of control, and macroeconomic control will hinder microeconomic growth.

At present, all East European countries are faced with the task of properly handling the relationship between microeconomic invigoration and macroeconomic control. Some countries are solving the problem of the macroeconomy slipping out of control. Others are making readjustments to achieve microeconomic invigoration. While reforming or perfecting the economic structure, East European countries have worked hard to make microeconomic invigoration and macroeconomic control complement each other.

THE TREND OF OPENING UP THE ECONOMY TO THE OUTSIDE WORLD IS BECOMING INCREASINGLY NOTICEABLE. The present-day world economy has smashed the theory and practice of "two parallel markets." The economies of various countries are indivisibly related with the world economy. Yugoslavia broke with the self-supporting economy earlier, and has established extensive ties with the world economy. Other CEMA member states have also broken through the economic relations previously confined by the bounds of CEMA member states and stressed the necessity of adopting an open economic policy. In recent years, more and more East European countries have established economic and trade relations with Western countries, imported advanced technology from, and run joint ventures with the latter, and developed their tourism industries. It must be noticed that their efforts in this regard are still handicapped by certain factors. Nevertheless, the phenomenon in which the policy of national seclusion is stubbornly adhered to and persistently implemented is gone forever. Opening up to the outside world is becoming an increasingly distinctive trend.

THE LEVEL OF SOCIALIZATION OF THE STATE'S ADMINISTRATIVE FUNCTIONS IS GETTING HIGHER DAY BY DAY. In order to transform their old overcentralized structures, East European countries stressed expanding the scope of democratic management, so that some functions of the state would gradually be shifted to society. Yugoslavia has always persisted in not using the method of administrative orders to directly manage the economy, and has maintained that what is needed in developing the economy is economic-compulsory means rather than state-compulsory ones. Workers' self-government and social self-government are a reflection of a high level of socialization of the state's administrative functions. Bulgaria has put forward a "state-society and society-state" principle, strengthened the roles of society and social organizations, and delegated some functions of the state to society in a planned way. Advocating that all citizens take part in running the country and managing the national economy, Poland has introduced an "independence, self-government, and assumption of sole responsibility for one's profits or losses" principle among enterprises, thus reducing the direct administrative functions of the state. Through structural reforms, Hungary has established a new form of leadership in economic organizations, thus reducing the direct administrative functions of the state. Apparently, raising the level of socialization of the state's administrative functions has become a new, distinctive trend in East European countries.

THE TREND OF TAKING ONE'S OWN ROAD TO SOCIALISM IS IRRESISTABLE. For many years, through constant exploratory efforts and practices, East European countries have basically smashed an old set pattern of the 1950's, thus bringing about changes, to varying degrees, in their economies. Almost all East European countries have stressed that there are no set patterns to follow in socialist construction and that each country should take its own road to socialism and build socialism with its own characteristics in light of its historical tranditions; national characteristics; and its political and economic foundation, levels, and conditions. This fully indicates that the different roads of socialist development and the diverse forms of socialist construction have become an irrisistible historical trend.

SUDANESE MILITARY DELEGATION DEPARTS FOR PRC

OW091512 Beijing XINHUA in English 1444 GMT 9 Jan 86

[Text] Khartoum, January 9 (XINHUA) -- A Sudanese senior delegation led by Lt. General Muhammad Tawfiq Khalil, member of the Sudanese Transitional Military Council and chief of the General Staff of the Sudanese People's Armed Forces, left here this morning for a friendly visit to China. The chief of the General Staff said upon his departure that he hoped his visit to China will turn a new page for the bilateral relations since Sudan has had good relations for a long time with China in various fields.

LEBANON'S PRIME MINISTER ON PRC FOREIGN POLICY

OW100646 Beijing XINHUA in English 0630 GMT 10 Jan 86

["Lebanese Premier Praises China's Foreign Policy (by Li Yichang and Guo Xiaoyong)" -- XINHUA headline]

[Text] Beirut, January 9 (XINHUA) -- Lebanese Premier Rashid Karami said here today that the Lebanese Government highly esteems China for its "just stand in helping other countries in safeguarding state sovereignty and fighting for national liberation".

In an exclusive interview with XINHUA here this afternoon, he pointed out that China supports those countries suffering from imperialist and Israeli aggression in accordance with the general principle of its foreign policy. "We are proud of having friendly relations between China and Lebanon based on mutual respect, because such friendship and relations are in accordance with justice and international norms," he declared. "We regard China as a giant strength and old friend in all of our work and struggle. We express our thanks to the Chinese Government and the friendly Chinese people because they always stand by the Lebanese people in all circumstances. It is this force which increases our confidence in victory."

The premier also answered questions on Lebanon's national reconciliation and the Mideast situation.

ENVOY MEETS LEBANESE SPEAKER, EXPRESSES SUPPORT

OW091904 Beijing XINHUA in English 1835 GMT 9 Jan 86

[Text] Beirut, January 9 (XINHUA) -- The escalating Israeli military actions in south Lebanon were aimed at sabotaging the process of Lebanese national reconciliation, Lebanese Speaker Husayn al-Husayni declared here this morning.

Meeting with Chinese Ambassador to Lebanon Wu Shunyu, the speaker pointed out that the Israeli occupation army in south Lebanon has recently stepped up its military actions against local residents, and made assaults on the U.N. Interim Force in south Lebanon. He said that the stepped-up Israeli military operations have posed a threat to peace and stability in the Middle East and seriously trespassed upon Lebanese territorial integrity. Husayni stressed that the Israel's actions have violated the U.N. Resolution No 425. He called on China and all other friendly countries to support Lebanon's stand and to condemn Israel.

The Chinese ambassador stated that the Chinese Government and people have always stood by the Lebanese people in their struggle against the Israeli policy of aggression and expansion.

The speaker also met with ambassadors from the United States, the United Kingdom and France, and Soviet charge d'affaires, appealing for support to the Lebanese stand and asking them to denounce Israeli actions in south Lebanon.

The Israeli troops have recently bombarded and attacked Lebanese villages, and harassed local residents. The Lebanese Government has asked the United Nations to call an emergency meeting to discuss the Lebanese situation.

ENVOY TO ALGERIA PRESENTS CREDENTIALS

OW081901 Beijing XINHUA in English 1457 GMT 8 Jan 86

[Text] Algiers, January 8 (XINHUA) -- New Chinese Ambassador to Algeria Jin Sen today presented his credentials to Algerian President Chadli Bendjedid. The ambassador and the president discussed bilateral relations during their meeting. The new Chinese ambassador arrived here on December 19, 1985.

XINHUA, ANGOLA PRESS AGENCY TO EXCHANGE NEWS

OW081112 Beijing XINHUA in English 1059 GMT 8 Jan 86

[Text] Beijing, January 8 (XINHUA) -- China's XINHUA NEWS AGENCY and the ANGOLA PRESS AGENCY (APA) are preparing to cooperate in news exchanges. A two-year agreement, which became effective recently, covers news exchanges by radio and telex, and photo exchanges by mail, all free of charge.

According to the agreement, each side will provide assistance to the other's correspondents. The agreement states that the news cooperation reflects the existing cooperative relations between the two countries.

SENIOR LEADERS ADDRESS CONFERENCE IN BEIJING

Hu Yaobang on Socialiam

OW100742 Beijing XINHUA in English 0725 GMT 10 Jan 86

[Text] Beijing, January 10 (XINHUA) -- China has located and charted a course along the road to socialism with Chinese characteristics over the past five years, Communist Party General Secretary Hu Yaobang said here on Thursday.

He told more than 8,000 party, Army and government officials at the Great Hall of the People that China had entered a period of rejuvenation.

He attributed the progress so far achieved to nine vital decisions and policies the party Central Committee had made and adopted since the third plenary session of the 11th party Central Committee convened in 1978:

These urged China to:

-- Deny the erroneous principle of "taking class struggle as the key link", and, based on China's practical conditions, set forth the strategic target of quadrupling the gross annual value of industrial and agricultural production by the end of the century.

-- Deny thoroughly the "Cultural Revolution", analyze carefully historical experience since New China was founded in 1949, and make a correct assessment of the late party Chairman Mao Zedong.

-- Practise the policy of opening to the outside world and invigorating the domestic economy, and reform gradually but resolutely the rural and urban economic structures.

-- Re-define principles on national defense in line with new historical conditions.

-- Readjust China's foreign policies and principles, and carry out firmly an independent and peaceful foreign policy.

-- Consolidate and expand the patriotic united front, and put into practice the concept of "one country, two systems".

-- Reform resolutely China's cadre system to promote talented younger people to leading posts.

-- Define the strategic principle of developing the socialist civilization ideologically and materially in order to build China into a socialist country with a high degree of democracy and civilization.

-- Consolidate party organizations, and build the party into a firm leadership which can spur the people on in the socialist modernization program.

Hu stressed that these important policies and decisions had brought about profound changes in China.

The main experience to be learned from the past five years was that the country should adhere to the four cardinal principles (namely, adherence to the socialist road, to the people's democratic dictatorship, to the leadership by the Communist Party of China and the Marxism-Leninism and Mao Zedong Thought), rely on the firm leadership of the party Central Committee and its lines, principles and policies which promoted emancipation of mind, the seeking of truth from facts and the importance of united efforts by the party, Army and people.

## Hu Yaobang on Work Style

OW100912 Beijing XINHUA in English 0851 GMT 10 Jan 86

[Text] Beijing, January 10 (XINHUA) -- Hu Yaobang, general-secretary of the Chinese Communist Party Central Committee, called on central organs and leading bodies of Beijing Municipality to exert themselves to improve their style of work in order to set examples for the whole nation.

"Central organs" refers to departments directly under the Chinese Communist Party Central Committee and the State Council, as well as the General Headquarters of the People's Liberation Army (PLA).

Hu was addressing more than 8,000 senior party and government officials, as well as high-ranking Army officers here Thursday.

The senior party leader said the general tasks for the next five years are to carry out the economic restructuring and build an ideologically sound socialist civilization, while continuing economic construction. In this way, he said, the socialist modernization drive can keep on developing in a steady and coordinated way in all fields.

He considered that conditions are now favorable for carrying out these tasks as the whole party and nation share a unified ideology; policies are clearer and more systematized; the country enjoys a richer store of material resources; the structure of cadre ranks has been rationalized; and the international environment is more favorable for China to concentrate on socialist modernization drive.

In this situation, he pointed out, the most important thing is for all party members, cadres and the hundreds of millions of ordinary people to carry forward the spirit of the "foolish old man who removed the mountains" (a fable illustrating the spirit of hard work and steadfastness).

He stressed that the central organs should play leading roles in the modernization effort, by working with unity, firmness and integrity.

He also pointed out that the majority of the staff members in the central organs are good or fairly good, but there are also some weak points in the central organs. He considered that some of them and some functionaries cannot meet the demands of the modernization tasks.

He hoped that all the central organs would raise their efficiency level, study hard, observe strict discipline and enhance party spirit.

Hu demanded that functionaries of the central organs study Marxism, modern science, technology, general knowledge, management and other necessary special knowledge.

He said: "We must adhere to Marxism, and be firm in communist and patriotic ideals."

He added: "Marxism is developing. We have to oppose not only the tendency of bourgeois liberalization, which considers Marxism outdated, but also the erroneous tendency to consider Marxist theories as stereotyped dogmas."

He said, many central organs lack a true sense of discipline, reflected as political liberalism, ideological individualism, and "favoritism through connections". They put personal feelings above principles, discard principles, and behave in unfair and dishonest ways. In addition, some people abandon personal and national dignity in foreign contacts.

He noted that all these problems can have a great corrosive influence, although only a few people are involved. Therefore, efforts must be made to strengthen supervision and the legal system in all central organs.

Laws must be followed and enforced strictly, and all law-breakers must be punished, Hu said.

He called on all the people working in the central organs, leading members in particular, to always keep in mind their purpose of serving the people heart and soul, further strengthen the party spirit and subject themselves to the supervision of the broad masses, including those in lower-level departments, he stressed.

On behalf of the Central Committee of the party, Hu declared: "According to the party Constitution and regulations, all loyal and honest comrades, both inside and outside the party, have the right to report truthfully to the party Central Committee about serious wrongdoings by leading members of organizations at all levels including the Central Committee.

Hu said that through unswerving efforts great changes will take place in the conduct of the members of central organs. Then, the more than 20 million government employees all over the country and the entire Chinese people will follow their example.

## Leaders To Show Good Example

OW101120 Beijing XINHUA in English 1102 GMT 10 Jan 86

[Text] Beijing, January 10 (XINHUA) -- Central Communist Party, Army and government departments were told at meetings this week to take the lead in fighting corruption and other bad practices.

The meetings at the Great Hall of the People heard that new regulations were being drawn up to counter these unhealthy tendencies and improve party work and efficiency.

The 8,000 leading cadres who attended the meetings were told that a leading body was being set up to plan ways of improving party style in offices of the Communist Party Central Committee, ministries and commissions attached to the State Council, the General Headquarters of the People's Liberation Army and Beijing municipal authority.

The party Central Committee Secretariat called on these departments to play an exemplary role so that a fundamental change in the general mood throughout the party and society as a whole will be effected.

Party General Secretary Hu Yaobang and Premier Zhao Ziyang spoke at the meetings held Monday morning and Thursday afternoon.

Zhao said that China's social mood was strongly influenced by party style.

Despite cases of corruption in some areas, Zhao said the party, government and the Army as a whole were good and uncorrupted.

"That is why we dare expose and are entirely capable of eliminating corruption," he said.

General Secretary Hu said on Thursday that the overwhelming majority of officials in central offices were "good or fairly good".

However, he said there were still many weak points. Some central organs and some of their employees had not yet adapted to the demands of China's socialist modernization drive.

He called on central organs to raise efficiency, promote the need to study, observe strict discipline, enhance party spirit and overcome unhealthy tendencies.

Wang Zhaoguo, a party Central Committee Secretariat member, gave several examples of unhealthy tendencies within central departments, and analyzed their origins.

He said the Secretariat had agreed to draw up additional regulations to lay down guidelines concerning officials running enterprises, to eliminate the waste of public money on unnecessary receptions and tours, and to ensure the strict selection of leading officials according to party principles.

He called for strict punishment of offenders, including the removal of leading officials who were inefficient in correcting unhealthy tendencies or who refused to correct mistakes.

Yang Shangkun, vice-chairman of the Central Military Commission, said the commission had decided that the Army should take a lead in rectifying working style of party organizations in the Army.

Marked results should be achieved in the first half of this year, and a fundamental change in the conduct of the Army should be realized by the end of this year.

Hu Qili, Political Bureau and Secretariat member of the party Central Committee, presided over both meetings.

He announced at Thursday's meeting that the Secretariat had decided to set up a leading group to take charge of the rectification of party style witin central departments.

Political Bureau member Qiao Shi will head the group, and Wang Zhaoguo and Qiang Xiaochu, secretary of the party Central Commission for Discipline Inspection, will be deputy heads.

## Changes to Improve Party Style

OW101016 Beijing XINHUA in English 1007 GMT 10 Jan 86

[Text] Beijing, January 10 (XINHUA) -- The Secretariat of the Central Committee of the Chinese Communist Party had decided to formulate several regulations to help improve the party style of the institutions directly under the central authorities.

This was stated by Wang Zhaoguo, member of the Secretariat, at a conference in the Great Hall of the People here Thursday.

The regulations under formulation mainly cover party and government officials running enterprises, reception of leading officials on inspection tour of localities, prohibition of the use of public fund for tourism, prohibition of sending people abroad at random and strict selection of leading officials according to the party's principles.

In his report to more than 8,000 leading officials in Beijing on how to improve party style in the institutions directly under the central authorities, Wang Zhaoguo said that generally, the party members and officials are good and, viewed as the whole, the party style is good.

However, he said, there are still unhealthy practises in these institutions and departments, and in the case of certain party members and officials, they are very serious.

These unhealthy practises have impaired the image of the party and the government, affected the functions of leading institutions, and hampered the ties between the party and the people, he stated.

Wang called on the central institutions and departments to strengthen ideological education, improve various organizational systems, stiffen discipline and conduct normal inner party political life while combating serious transgressions.

It is imperative to break down all obstructions and handle all cases impartially, he said.

"No matter what organizations or individuals, at high or low levels, might be involved in deviations, they will be dealt with resolutely," Wang added.

Wang also called for removing or transferring those unqualified officials, who refuse to correct their mistakes and do not exercise efficient leadership in improving the party style.

BRIBE RECIPIENT EXPELLED FROM PARTY, SENTENCED

OW090009 Beijing XINHUA Domestic Service in Chinese 1206 GMT 8 Jan 86

[Excerpts] Beijing, 8 Jan (XINHUA) -- Zhang Yi, a retired former deputy director of the Bureau of Materials and Equipment under the Ministry of Posts and Telecommunications, was expelled from the party for accepting bribes totaling 7,000 yuan. According to law, he was also given a sentence of 3 years imprisonment with 2 years probation.

Between August and September 1984, Zhang Yi, at the request of Zhang Youxin, a clerk of the Shulu County nonstaple food company, Hebei, purchased a Jiefang-brand truck for a Zhou Jingmin of Leijiazhuang Township in Ningjin County, Hebei, through the State Automobile Company, taking advantage of his position as deputy director of the Bureau of Materials and Equipment under the Ministry of Posts and Telecommunications. Through Zhang Youxin, he solicited a bribe of 2,500 yuan from Zhou. In November the same year, Zhang Yi and Zhang Youxin colluded and purchased another Jiefang-brand truck, which had 80 percent new parts, from the ministry's telephone equipment plant in Tianjin for a Sun Huairan of Dongzhizhuan of Chengguan Commune in Shulu County, Hebei. Under the pretext of the plant needing money for its workers' bonuses, they solicited a bribe of 8,000 yuan, of which Zhang Yi got 4,500 yuan.

With the approval of the Central Discipline Inspection Commission, the party committee and Discipline Inspection Commission of the Ministry of Posts and Telecommunications decided to expel Zhang Yi from the party.

Discipline Commission Circular

OW090920 Beijing XINHUA Domestic Service in Chinese 1212 GMT 8 Jan 86

[Text] Beijing, 8 Jan (XINHUA) -- The Central Discipline Inspection Commission recently issued a circular titled: "Cherish Revolutionary Honor and Uphold Revolutionary Integrity in One's Later Years" exhorting the whole party to draw a lesson from the case of retired cadre Zhang Yi who was expelled from the party.

The circular said that Zhang Yi, former deputy director of the Department of Supplies under the Ministry of Posts and Telecommunications before his retirement, twice, in September and November 1984, used his connections with his former office to enable peasants to buy trucks. He degenerated into a criminal by accepting 7,000 yuan in bribes. With the approval of the Central Discipline Inspection Commission, the party committee and discipline commission of the Ministry of Posts and Telecommunications organ expelled Zhang Yi from the party. On 29 July 1985, judicial organs sentenced him to 3 years in prison with a 3-year reprieve in accordance with law.

The circular pointed out: Zhang Yi was a veteran party member and cadre who joined the party in 1941, the most cruel stage of the war of resistance against Japanese aggression. He withstood the test of life and death amid the flames of war filled with the smoke of gunpowder and the hail of bullets. He remained undefeated by enemies armed with guns. However, under the new historical conditions, he slackened his efforts at study, gradually lost the spirit of sacrificing oneself for revolution he had in those years, forgot the lofty ideals for which communists struggle, and turned his back on serving the people wholeheartedly. Consequently, he was defeated by the "money bullet" and fell captive to money. His story contains a very profound lesson.

The circular said: In recent years, a small number of party members and cadres whose revolutionary will has been waning, who do not cherish the glorious name of Communist Party members dedicated to the service of the people and the achievements of communist ideals, and who have been eroded by capitalist decadent ideology and tempted by money and material benefits, have forfeited the moral integrity and requirements required of a Communist Party member. Although this involves only a very small number of people. it seriously corrupts party style and social conduct. We must guard against it.

The circular pointed out: Achieving the general tasks and goals set by the party for the new period is the holy historical mission of us Communist Party members. Abiding by laws and discipline in an exemplary manner, upholding party discipline, constantly improving the political quality of every party member, and enhancing party spirit are indispensable requirements for achieving this mission. At the National Conference of Party Delegates, Comrade Chen Yun pointed out: "There is no such thing as retirement when it comes to setting good examples, being concerned about party style and discipline, and exercising supervision. Every party member should always stand at the front line as long as he or she is alive." All party members should firmly bear this admonition in mind. The circular called upon retired veteran comrades continuously to carry forward the revolutionary tradition, maintain their revolutionary qualities, and, under the new conditions, set stricter demands on themselves as well as on their children to restrict the corrosive influence of capitalist ideology, keep firmly in mind that serving the people wholeheartedly is their purpose, and contribute to bringing about a fundamental turn for the better in party style and to the four modernizations.

## HONGQI CITES LIU SHAOQI ON CPC MEMBERSHIP

HK090428 Beijing HONGQI in Chinese No 24, 16 Dec 85 pp 3-4

[Article by Liu Shaoqi: "Eight Requirements for CPC Membership (March, 1951)"]

[Text] 1. The CPC is a party of the Chinese working class and is also the advanced part of the working class. The Chinese revolution was led by the working class in the past, and will continue to need the leadership of the working class even more in the future.

The working class will develop in the future and will become the majority in our country's population. Peasants will become workers after they use machines for ploughing. Eventually, the entire Chinese people will become workers. (Our party has always relied on the proletariat and semiproletariat.) All our party members must admit this point.

2. The final aim of the CPC is to realize the communist system in China. At present the CPC is fighting to consolidate the new democracy system. In the future, the CPC will be fighting for the transformation to the socialist system. And finally, the CPC will fight for the realization of the communist system. (The main points concerning the new democracy system, socialist system, and communist system are to be explained in a separate article. The new democracy revolution, generally speaking, does not destroy the system of private ownership, whereas the socialist revolution will first destroy the system of private ownership in industry and then destroy the system of private ownership in agriculture. When organizing collective farms in rural areas, we can only depend on the working class and the poor peasants and farm laborers, not the ordinary peasants. We can only unite the peasants). All the party members must be determined to fight continuously for the realization of these goals of our party.

3. So, if one wants to become a CPC member, one must carry out the revolutionary struggle all of one's life. If one stops fighting while the revolutionary struggle is in progress, one can no longer be a party member. This kind of revolutionary struggle consists of political, economic, and ideological struggles, and it also requires us to carry out armed struggle against the armed intervention of imperialism. (However, this does not mean that we must be soldiers for all our lives.)

4. All CPC members must carry out revolutionary struggle under the unified leadership of the party. So all party members must carry out the policies and resolutions of the party, actively take part in the revolutionary movements led by the party, strictly observe the party's discipline, and struggle against all phenomena, inside and outside the party, which are harmful to the interests of the party; otherwise they cannot be CPC members.

5. All party members must first consider the public interests of the broad masses of the people and the interests of the party rather than their private interests. Those who are selfish and unwilling to sacrifice themselves for the people cannot be party members. (The mutual aid teams, mutual aid associations, and cooperatives in the rural areas are one of the forms of the socialist economy and belong to semisocialism. To dare to sacrifice one's own interests and work hard for the cooperatives is socialism. The production emulation drive among the state-owned factories belongs to socialism, too.)

6. In revolutionary struggle, all the party members must be courageous and resolute, must not flinch from any serious or difficult environment, must never surrender themselves to the enemy, and must never betray the party and communism; otherwise they cannot be party members.

(Explanatory note: When the eight requirements for party membership were written into "The Resolution of Rectifying the Grass-Roots Party Organizations" passed by the first National Conference on CPC Organization Work, the contents of this item were written into item No 3 of the resolution. The contents of item No 3 of the resolution are: "Every party member must be determined to bravely carry out revolutionary struggle for all his live, must not flinch under any circumstances, must not betray the party, and must not surrender himself to the enemy. If a party member stops fighting while the revolutionary struggle is still in progress, he can no longer be a party member." The contents of item No 6 of the resolution were changed to: "Every party member should often examine the mistakes and shortcomings in his own work through criticism and selfcriticism and correct them in time. If a party member has made serious mistakes but is still unwilling to correct them, still wants to claim credit for himself, continues to be arrogant and self-important, and still sticks to his mistakes, he cannot be a party member.")

7. All party members must serve the people, help to establish a good relationship between the party and the people, do one more piece of social service work assigned by the party organizations or party branches. Those failing to do this cannot be party members.

8. In order to meet the above-mentioned requirements, all the party members must study hard so as to know more about Marxism, Leninism, Mao Zedong Thought and raise their own consciousness. One who does not study hard cannot become a good party member.

(This manuscript is part of the report outline that was prepared for the first National Conference on CPC Organization Work. On 28 March, Liu Shaoqi made the report at the conference. After being rearranged and revised, these eight requirements mentioned in his report were later written into "The Resolution on Rectifying the Grass-Roots Party Organizations" passed by the conference.)

## IMPORTANCE OF STUDYING MARXISM STRESSED

HK031426 Shanghai SHIJIE JINGJI DAOBAO in Chinese 16 Dec 85 p 6

[Article by Xu Dixin: "On the Question of Studying Marxism"]

[Text] At the National Conference of Party Delegates, Comrade Deng Xiaoping called on the new and veteran cadres of the whole party to study Marxism. This is an urgent and important call.

Studying Marxism is the consistent demand of our party. At the conference, Comrade Xiaoping used the phrase "to make a new demand." This "new" refers to the present situation. The present situation in our country demands that our comrades conscientiously study Marxism. Why? Because some people have adopted an incorrect attitude towards Marxism.

1. Under the guidance of the "leftist" ideology, some people have distorted Marxism. For example, egalitarianism has replaced distribution according to work. During the period of the 10-year turmoil, the Lin Biao and Jiang Qing counterrevolutionary cliques distorted Marxism by waving "red flags" to oppose the red flag. Even today, egalitarianism, the practice of eating from the same big pot, the iron rice bowl, and some other incorrect concepts still exist in some people's minds. Some resistance to the reform of the economic structure is related to these "leftist" ideologies.

2. Some people's deeds do not match their words. They only support Marxism in words but violate Marxism in deeds. Recently, in his speech delivered at the CPC Central Commission for Discipline Inspection, Comrade Chen Yun pointed out that some party, government, and Army organs, some party and government cadres, and the children of some party and government cadres "swarm to do business." Some people seek private gains by making use of their power and even violate discipline and law. "Swarming to do business" is to destroy Marxism, and seeking private gains by making use of power and position is to destroy the socialist system.

3. Some people set studying Marxism against studying professional skills. They think that studying professional skills is very important but studying Marxism is useless. Because of their onesideness, some people can only see the rapid production development and the wealthy lives of part of the population in some economically advanced countries, but do not see that periodic economic crises in the capitalist countries are becoming more and more serious each day, let alone see that the capitalist countries have an "excess population" [guosheng renkou 6665 0476 0086 0656]. They think that socialism is inferior to capitalism, and even think that socialism has no future. They have begun to doubt their faith in Marxism.

Our country is carrying out the building of the socialist modernization. This great historical task demands that our comrades study Marxist theory. The above situations are not caused by Marxist theory itself, but by some people's distortion and negation of Marxism because they proceed from a onesided angle and even from their individual or family interests.

In order to realize the modernization of our country, we must further overcome "leftist" ideology and ban cadres and cadres' children from doing business as well as some other malpractices that aim at seeking money. We must point out that if people only engage in vocational study without studying Marxism, they will surely go astray. We should understand that if we look at capitalism in a onesided way, we will become the captives of capitalism. How can it be reasonable for a party member or a government cadre to seek private gains by making use of his power or shield his children who are engaged in business? How can it be right for a party member or a government cadre to so insistently become a captive of capitalism? Some of these cadres or party members should be punished by the law of our country, but most of them should be ideologically educated. The key link in ideological education is to urge the new and veteran cadres to study Marxism.

Marxism is not a dogma but a guide to action. To study Marxism with a dogmatic attitude means to lose contact with reality and violate Marxism itself, which will incur heavy losses for the party and the country. The purpose of studying Marxism is to solve the new and basic political, economic, social, and cultural problems. We must first learn to grasp the basic theory of Marxism and apply the basic principles and methods of Marxism to solving new political and economic problems. In order to prevent falling into the quagmire of dogmatism, we must carry out a deep study and analysis of the new domestic and international situation according to the basic principles of Marxism. On the basis of such an analysis, we put forward our opinions, and make our general and specific policies. Only by doing things in this way can we continue to overcome the difficulties in our advance and achieve due success in building the socialist modernization of our country.

The purpose of studying Marxism is not only to build the socialist material civilization that aims at raising the social productive forces of our country, but also to build the socialist spiritual civilization. The reason some people only think about money and enjoyment is because they lack spiritual ballast and are even spiritually degenerate. How can a person who lacks spiritual ballast have lofty communist beliefs? To study Marxism will probably enable some people to recover their spiritual ballast and recover their enthusiasm in working for the party, the country, and socialism.

All the new and veteran cadres, the leading cadres, and the cadres at the grass-roots level must study Marxism. The study of Marxism can help the leading cadres to lead the work better and can help the cadres at the grass-roots level to avoid violating the party's policies in their work, avoid doing things according to their own will, and avoid making mistakes. There is a saying in Shantou City, inhabited by the Chao nationality, which says: "The mountain is high and the king is far away." If we do not strengthen Marxist education and our study of Marxism, we will lose control of our work at the grass-roots level. If we fail to do well the work at the grass-roots level, our cadres will only be able to shout uselessly on the high mountain.

AGRICULTURE MINISTER ON BOOSTING EXPORTS

HK091027 Beijing GUOJI SHANGBAO in Chinese 23 Dec 85 p 1

[Report by correspondent Li Hongmei: "He Kang, Minister of Agriculture, Animal Husbandry, and Fishery, Says the Export of Agricultural and Sideline Products Will Be Boosted During the Seventh 5-Year Plan Period"]

[Text] By 1990 the export volume of China's primary farm and sideline products is expected to reach $7 billion, or a yearly average increase of more than 12 percent. During the Seventh 5-Year Plan period, it is planned to use a total of about $1.2 billion in foreign investment in agricultural, animal husbandry, and fishery production as scheduled, up nearly 50 percent over the figure in the previous plan. He Kang, minister of agriculture, animal husbandry, and fishery, made these remarks in a briefing he gave this correspondent on the program of how to gain foreign exchange earnings through exports during the Seventh 5-Year Plan period.

He Kang said: Ours is a big agricultural country. Agricultural and sideline products occupy a very important position in its export commodities. Boosting the export of agricultural and sideline produce, as well as special local products, is the unshirkable duty of the agricultural departments. One very important aspect in agricultural production during the Seventh 5-Year Plan period is to establish a complete set of bases for producing high-quality agricultural and sideline products for export markets and to energetically boost the export of primary farm and sideline produce and finished products as to earn more foreign exchange for the state. Efforts should be made to improve product quality, to speed up the upgrading and replacement of products, to increase the competitive appeal of products in the market, and to actively expand markets internationally. At the same time, efforts should also be made to further strengthen international cooperation and to carry out technological transformation in the coastal bases first and gradually spread it to the interior bases afterward, so as to continuously raise their ability to export.

He Kang said emphatically: To achieve the planned target of earning foreign exchange funds by exporting agricultural and sideline products during the Seventh 5-Year Plan period, appropriate measures should be taken.

First, we should strengthen agricultural scientific research and technical popularization work, strive to improve the quality of agricultural and sideline products, and enhance their competitiveness in the market. The agricultural scientific research departments should organize forces to tackle major problems or hurdles in scientific and technological research and vigorously breed new crop varieties on the basis of the existing domestic improved varieties and according to international market demand.

They should also organize the country's scientific and technological forces and carry out a rational distribution of work in accordance with their own strong points. With a clear objectives in mind, they should import necessary varieties and technology from abroad. This is a short cut to improving product quality.

Second, efforts should be made to build export bases for high-quality agricultural and sideline products. It is necessary to build the bases in the regions that have a sound economic foundation, high economic results, good transport facilities, a certain level of socialization in production, and and which are concentrated and closely linked with each other, and to gradually form a complete set of commodity production bases covering scientific research, production, processing, storage, cold storage, packaging, and transportation and sale.

As far as the production patterns of export commodity bases are concerned, it is necessary to build production bases for different types of export products by bringing the strong points of coastal areas and other areas with unique conditions into play, and to steadily improve the export commodity production system. This group of bases producing agricultural and sideline products specially for export markets are allowed to pursue a more flexible policy in line with the priority order of "trade, industry, and agriculture" and to practice a policy different from the existing policy, which allows a portion of export commodities to be sold on the domestic market, in such areas as pricing, quota systems, criteria for commodity inspection, taxation, retention of foreign exchange earnings, and import of improved varieties and advanced technology and equipment from abroad. In this way, export commodity producers will have good prospects of gain and be more responsive to information and enthusiastic in turning out high-quality agricultural and sideline products.

Third, the construction of infrastructural facilities should be augmented, the labor productivity of export bases constantly raised, production costs cut down, and economic results improved.

Fourth, energetic efforts should be made to strengthen guidance over and support for nonstaple products, such as special local products and rare agricultural and sideline products, and to promote the expansion of their production. We should do a good job in such work as purchase, classification, processing, and storage, and in exporting this section of products together with the departments in charge of foreign trade.

Touching on the question of how to use foreign capital and how to increase the ability to gain foreign exchange earnings through exports, Minister He Kang said: In using foreign capital, we should take vigorous and safe measures and use it in coordination with domestic funds in selected projects in a planned and selective way. This means combining the use of domestic funds with that of foreign capital.

During the Seventh 5-Year Plan period, the priorities in using foreign capital are to speed up the construction of the export bases for agriculture, animal husbandry, and fishery, to develop township enterprises that are highly competent in gaining foreign exchange earnings through exports, to boost the production and development of famous-brand, special, high-quality, new, and rare products, and to carry out such intellectual resource cultivation projects as popularizing education in modern farming and achievements in scientific research.

## STATISTICAL BUREAU RELEASES CASH CROP FIGURES

OW100812 Beijing XINHUA in English 0747 GMT 10 Jan 86

[Text] Beijing, January 10 (XINHUA) -- Output of most cash crops was up last year, according to figures released by the State Statistical Bureau.

Output of peanuts, rapeseed and sesame came to 15,500,000 tons, 30 percent more than in 1984. Harvests grew by an annual average of 15 percent during the Sixth Five-Year Plan (1981-1985).

Sugar cane and beet output rose by 25 percent last year to reach 59 million tons. And jute and hemp output was a record 3,400,000 tons -- 130 percent more than in 1984. Output of silk cocoons reached 320,000 tons, an increase of 4.9 percent. Tea output totalled 400,000 tons, about the same as the year before.

China has enjoyed good harvests of cash crops for several years.

## LI JINGHUA SAYS RURAL GROWTH TO CONTINUE

OW081828 Beijing XINHUA in English 1450 GMT 8 Jan 86

[Text] Beijing, January 8 (XINHUA) -- Production of goods and services in rural areas is expected to grow at a rate of 8.4 percent annually during the Seventh Five-Year Plan period (1986-1990), an agriculture official said today.

Li Jinghua of the Ministry of Agriculture, Animal Husbandry and Fisheries also predicted the gross output value of agriculture would grow six percent a year over the plan period. Last year, gross agricultural output was valued at 370 billion yuan, 10 percent more than in 1984.

Li said over the plan period rural production would become more responsive to market demands. At the same time, he said, economic growth would improve rural life -- average annual per capita net income in rural areas is expected to reach 550 yuan by 1990, 150 yuan more than the present level.

## AGRICULTURAL RESEARCH PROJECT ACHIEVEMENTS VIEWED

OW081335 Beijing XINHUA Domestic Service in Chinese 0810 GMT 7 Jan 86

[By reporter Yu Futang]

[Excerpts] Beijing, 7 Jan (XINHUA) -- This reporter learned from the department concerned that China has satisfactorily fulfilled all preset tasks on schedule for 10 scientific and technological key tasks and 16 tasks in agriculture, animal husbandry, and fishery during the Sixth 5-Year Plan; out of these, 16 items of scientific research reached international levels, results of 21 items either filled the blanks in Chinese science or attained domestic advanced levels. Many scientific research results had already been promoted and applied in production, with marked social and economic benefits.

Currently, research on the breeding of more than 200 new strains (hybrids) of rice, wheat, corn, cotton, soybean, rapeseed, potato, vegetable, and rubber have passed state and provincial-level tests. Some new strains, with excellent quality, or pure strains were selected for breeding. More than 40 new rice strains (hybrids) were widely grown.

For example, such excellent quality rice as E Wan [6759 2519] No 5, Zhi Jin Nuo [4793 6855 4754], and Shang Gui [7175 2710] No 1, were each grown on 5 million mu of land; Zhong Hua [0022 5363] No 8 and No 9 were each grown on 2 million mu of land; 34 selected new strains of wheat were grown on 26 million mu of land, resulting in increased wheat production of more than 1 billion jin; 30 new strains of cross-bred corn, with strong resistant capabilities against copper spot diseases, smut, and bacterial wilt, were grown on 10 million mu of land.

Breeding of new strains of lean pork, laying and eating chickens, and fine wool also achieved gratifying results. Scientific workers bred fast-growing, lean pigs, which have good returns on feed and lean pork content mostly over 60 percent; major production index reached domestic advanced level; some neared the world advanced level. By the end of 1985, the number of lean pigs had reached some 100,000 head, giving a profit of more than 2 million yuan. A live and fast-growing quality yellow hen, which was selected for breeding for domestic consumption, weighs 1.65 kg at 56 days old, with meat ratio at 1:2.4. Quality live yellow hens for export to Hong Kong and Macao weigh 1.6 kg at 90 days old, with meat ratio at 1:3.3. Breeding hens at 500 days old reproduced more than 100 offspring, all surpassing preset key task targets; some surpassed international levels.

To reverse the downward, unstable, and backward situation in animal husbandry on grasslands, scientific workers engaged in general technical reserarch in man-made grassland, and developed 30 strains of excellent grazing grass (hybrids) in 3 years. They built more than 200,000 mu of man-made and semi man-made grassland, and developed general techniques for growing man-made and semi man-made grassland, enabling the raising of unit output of grazing grass from 3 to 6 times more than common grassland.

## MILLIONS JOIN DRIVE AGAINST DESERTIFICATION

OW081032 Beijing XINHUA in English 0835 GMT 8 Jan 86

[Text] Lanzhou, January 8 (XINHUA) -- About 12 percent of China's land subjected to desert encroachment is now protected by trees, bushes and grass. The area of oasis increased 2.6 times in the past 30 years, thanks to a greening drive involving millions of Chinese every year. Deserts are mainly in north and northwest China.

Scientists at the Lanzhou Desertification Institute under the Chinese Academy of Sciences described this as a major victory in man's fight against deserts, which encroach upon 9.1 million sq km in over 100 countries.

Rolling deserts threaten 120,000 sq km in over 200 Chinese counties from Heilongjiang in northeast China to the Xinjiang in the northwest.

Measures to combat the problem include anchoring dunes with grass or bushes, flanking farmland with tree belts and converting land unsuitable for crops to pastures or forestry.

China has also developed such measures as building wheat-stalk barriers, digging ditches and erecting earthen walls to protect railways, highways and enterprises from deserts.

In contrast, people in most developed countries spread molten asphalt or other chemicals on dunes to prevent them from rolling. The method is too costly for developing countries, scientists at the Lanzhou Institute said. As a matter of fact, they said, China has trained hundreds of desert control technicians from Third World countries.

The most striking achievement of China's, however, is the "green great wall" project. The project was launched in 1978 to improve the natural conditions in northern China, where deserts cover 12.6 million hectares, soil erosion has made China's second-longest river "Yellow" the muddiest in the world, and sand storms threaten eight million hectares of farmland and pasture.

The first-stage work of the "wall," consisting of six million hectares of trees, winds its way from Heilongjiang, through the loess plateau, skirts the deserts and highlands of Qinghai Province, and ends in Xinjiang.

Altogether, it encompasses one quarter of China's land mass, passing through 12 provinces and autonomous regions.

The newly greened area in Gansu Province in the last three years exceeded the total in the previous 30 years.

In Xinjiang, tree belts in a chessboard pattern are sheltering over half of the region's 3.1 million hectares of farmland.

To help local people raise their incomes as well as effectively restore the biological balance, local technicians and officials have combined building of shelter belts with the planting of timber forests.

Attention is also paid to protecting wild vegetation during the greening drive. In Gansu, over 100,000 hectares of wild plants have been closed to grazing and other human activities.

SILK ASSOCIATION SET UP, OFFICERS ELECTED

OW081204 Beijing XINHUA in English 1136 GMT 8 Jan 86

[Text] Beijing, January 8 (XINHUA) -- China, the biggest silk producer in the world, set up a silk association Monday in a bid to further strengthen trade relations in the material with the outside world. The association will promote new techniques of silk production and import advanced technology.

Around 100 representatives, including ones from Hong Kong and Macao, attended the association's inaugural meeting in southern China's Guangdong Province.

Gao Xiu, chairman of the board of the China National Silk Corporation, was elected honorary chairman of the association, and Wang Mingjun, general manager of the China National Silk Corporation, chairman.

China is the birthplace of silk production. It started selling silk to the Western world more than 2,000 years ago through the famous "Silk Road."

In 1985, China bred 350,000 tons of silk cocoons and produced 42,000 tons of silk, more than half of the world's total output. The country's silk trade volume takes up 90 percent of the international silk trade total. As a result of the Chinese people's increasing living standards, the domestic market is also growing.

METALLURGY MINISTER ON IRON, STEEL INDUSTRY

HK070930 Beijing ZHONGGUO XINWEN SHE in Chinese 0248 GMT 6 Jan 86

[Text] Beijing, 4 Jan (ZHONGGUO XINWEN SHE) -- "China's iron and steel industry will continue to adopt the policy of opening up to the outside world, introduce advanced technology and required individual machines and key equipment from foreign countries, and actively explore the ways and possibilities for foreign capital to be invested in China to build steelworks."

This was what Qi Yuanjing, minister of the Ministry of Metallurgical Industry, told ZHONGGUO XINWEN SHE reporters when commenting on the developmental trends in China's iron and steel industry.

Qi Yuanjing said that, at present, businessmen from the United Kingdom, Japan, the FRG, Italy, the United States, Australia, and so on, are very interested in cooperation with China in the field of steel and iron. Businessmen from the United Kingdom and the FRG are now holding talks with China on jointly building a steelworks in Ningpo's Beilun Harbor, which has plans to produce more than 3 million tons of steel per year. Some foreign businessmen are negotiating with Chinese entrepreneurs on jointly building iron and steel enterprises in Shiriso of Shandong Province, and other places.

Qi Yuanjing said that as this is the first year of the Seventh 5-Year Plan, the iron and steel industry should make new breakthroughs this year. The steel output should further increase on the basis of last year's 46.7 million tons. The variety and quality of steel, reduction of consumption, technical transformation, capital construction, and other aspects should all reach new levels.

He said that China's iron and steel enterprises will continue to expand, continue, and technically transform key projects. Its main content includes continuing to build the second-phase project of the Shanghai Baoshan Iron and Steel Complex while managing well its first-phase project, and expanding the second-phase project of the Pangzhihua Iron and Steel Company, the blast furnace system of the Tangshan Iron and Steel Company, as well as several other iron mines. The overall technical transformation plans for the Seventh 5-Year Plan period for over 20 key iron and steel enterprises like the Anshan Iron and Steel Complex, Shoudu Iron and Steel Complex, Wuhan Iron and Steel Complex, and others, have been worked out. Some have been approved by the state.

## STATE COUNCIL PRAISES HUBEI AUTOMOBILE PRODUCTION

OW081944 Beijing XINHUA in English 1831 GMT 8 Jan 86

[Text] Wuhan, January 8 (XINHUA) -- China's "Number two" motor vehicle plant in Hubei Province has reached its designed production capacity, officials announced today. The plant -- the country's largest -- is the first major motor vehicle plant whose equipment is 98 percent homemade.

China's State Council -- its highest government body -- sent the plant congratulations Tuesday for reaching its 100,000 vehicle capacity. The message said that the accomplishment of the plant is "an important achievement in China's modernization drive and is of great significance for the prosperity of the country's economy."

It also noted that the plant's applying homemade new technologies, materials, and equipments is "an implementation of the policy to maintain independence and keep the initiative in our own hands and rely on our own efforts in the development of motor vehicle industry."

There are over 180 units turning out cars and trucks in China. The country's automotive industry has risen from 190,000 motor vehicles in 1981 to about 400,000 last year.

According to motor vehicle experts, the demand for motor vehicles from industry, government departments and rural areas in 1985 was about 500,000. The figure is expected to rise to two million by 1990 as tourism and rail costs increase.

The other of China's two major motor vehicle factories is "No. One" motor vehicle plant in Changchun. It produces 70,000 vehicles a year and was built in the 1950's with technology and equipment from the Soviet Union.

Initial construction of the "Number two" motor vehicle plant in Hubei started in 1969. It began production in 1975 and has since produced 357,900 2.5-ton, 5-ton and 3.5-ton trucks. Last year it produced 91,500 trucks. The plant plans to expand its annual production capacity to 200,000 motor vehicles in the early 1990's.

## ECONOMIST ON SOFT BUDGET CONTROL OF ENTERPRISES

HK081050 Beijing JINGJIXUE ZHOUBAO in Chinese 29 Dec 85 p 1

[Report by Ma Li: "Well-Known Economist Dong Fureng Holds That in Order To Deepen the Reform, it Is Imperative To Solve the Problem of Soft Budget Control of Enterprises" -- capitalized passages published in boldface]

[Text] On New Year's Eve, in an interview with this reporter on "problems confronting the current reform," Deng Fureng pointed out: In order to deepen the reform, it is imperative to solve the problem of soft budget control of state enterprises.

Dong Fureng said in analysis: An objective of the reform is to lead the market mechanism to the socialist economy, so that an enterprise becomes dependent on the market and the activities of an enterprise are affected and adjusted by the market. Viewed from the reforms made recently, the enterprises have begun to be partly dependent on the market and the market has begun to condition and regulate the activities of the enterprises. However, such dependence and regulation have not yet played a prominent role. The enterprises are not sensitive to the functions of the economic levers such as prices and interest rate. Thus, the economic levers cannot effectively regulate the activities of the enterprises. For example, the state has twice raised the interest rates on loans. The enterprises still have a strong demand for state loans, although their demand has diminished a bit. As another example, the bonus tax was imposed last year to restrict the giving of bonuses. However, many enterprises gave their workers and staff members awards in cash or in kind on some pretext or other than as a bonus, so that the bonus tax has failed to play its part. These cases occurred because the budget control of the state enterprises was soft and the state enterprises did not have to answer for the risks taken and they need not and could not take sole responsibility for their profits and losses.

In order to deepen the reform, it is imperative to solve the problem of soft budget control of enterprises. Otherwise, the correct reform measures will in many cases fail to produce the expected results. Our reform measures are correctly oriented. Some of them are highly effective under a capitalist economy but do not produce a marked effect in our country. This is caused by the differences in the form of ownership. To solve this problem, it is therefore necessary to handle the form of ownership in our country. Some small state-owned enterprises have recently been contracted or leased to individuals or collectives or sold to collectives. Positive results have been achieved and favorable conditions have been created for strengthening budget control. However, the problem of soft budget control of the big and medium-sized state enterprises remains unresolved. These enterprises still depend to a considerably large degree on the administrative organs at various levels and do not have the right to determine their own business. They depend very little on the market and are far from being capable of taking sole responsibility for their own profits and losses.

How should the problem of soft budget control of the big and medium-sized state enterprises, in particular the big ones, be solved? 1) EFFORTS SHOULD BE MADE TO SEEK A NEW FORM OF SOCIALIST OWNERSHIP. The share system practiced by some state enterprises in recent years may be a method for solving the problems of soft budget control of big state enterprises. After an enterprise has adopted the share system, its profits or losses will directly affect the interests of its shareholders so that it must pay constant attention to the question of profits and losses. This will push the enterprise to react quickly to the market changes and the movements of the economic levers. However, it is not very clear what questions may arise after the share system has been adopted. Moreover, who may hold shares of an enterprise? What position should the state take as far as the rights of shareholders are concerned? What role does the state play in the meetings of the board of directors of an enterprise? These questions need to be studied. 2) THE BIG STATE ENTERPRISES MUST REALLY BE SEPARATED FROM THE VARIOUS ADMINISTRATIVE ORGANS. If the enterprises continue to depend on the administrative organs, they cannot cease to rely financially on the administrative organs and they do not have to answer for the risks taken. Once they are really separated from the administrative organs, they will be urged to pay attention to their profits and losses and to react promptly to the market changes. 3) IN THE COURSE OF REFORM, EFFORTS SHOULD BE MADE TO INCREASE THE STIMULUS OF THE ECONOMIC LEVERS. Because the soft budget control has not been basically changed and because the enterprises are not sensitive to the movements of the economic levers, a weak stimulus by the economic levers often fails to yield returns. Many weak stimuli together are no better than a strong stimulus. A strong stimulus will make a great impact on the enterprises; however, this method may have serious side effects. It is therefore necessary to size up the situation accurately before making a move.

It is necessary for the state to control and adjust the activities of the enterprises. The enterprises should also be made to control and adjust their activities according to the demands of the commodity economy. While mainly trying to indirectly control the change in orientation of the activities of the enterprises, the state must make sure that its indirect control is effective, otherwise its mainly direct control can hardly be changed into mainly indirect control.

## RENMIN RIBAO COMMENTATOR ON MEDIATION WORK

HK071511 Beijing RENMIN RIBAO in Chinese 31 Dec 85 p 4

[Commentator's article: "Raise the People's Mediation Work to a Higher Plane"]

[Text] The second national conference on people's mediation work took place in Beijing, from 26 to 30 December. The conference summed up the experience in mediation work, commended advanced individuals and units, and set new tasks for future work in the field.

To do a good job in mediating civil disputes is an important measure for maintaining social order and an essential aspect in the building of socialist spiritual and material civilization. Early in 1957, Comrade Liu Shaoqi said that "the people's mediation committee is the first defense line of political and legal work." Practice over the years has proved that large numbers of civil disputes in China are settled through the people's mediation committees. According to statistics, mediation organizations of the whole country handled more than 32.51 million civil dispute cases in the 4 and 1/2 years from 1981 to June this year. The efforts made to mediate disputes strengthened unity among the masses, maintained social stability, and played an important role in preventing crimes, cutting down the number of lawsuits, and promoting the building of socialist material and spiritual civilization. The current task of the mediators of the whole nation is to play a greater role in the new situation.

With the ongoing development of the reform of the economic structure, profound changes have taken place in all fields of urban and rural social life that have given rise to many new problems. Disputes over farmland, water, and farm machines arose from the contract system in farm production; disputes over joint operation emerged; disputes over contracts increased sharply; and disputes concerning alimony, property inheritance, debts, and marriage have increased unceasingly. In order to mediate these disputes, we must explore new ways and methods rather than rely merely on past experience and methods.

The relationship between people and social and economic life in China is regulated by means of law. In order to effectively mediate disputes, our mediators should study and understand law and take law as the basis to judge right and wrong. Mediators should first study the Constitution and know the fundamental rights and duties of citizens. They should study criminal law, criminal suit law, and the regulations for maintaining public order and meting out punishment, andknow what constitutes illegal and criminal offenses. They shuld also acquire knowledge of civil law concerning contracts, inheritance, marriage, and family problems, and know the civil rights and duties of the citizens. Only by having a good grasp of laws and the actual circumstances can we get to the crux of disputes as quickly as possible, properly deal with cases, convince people by reasoning and law, and mediate all kinds of civil disputes in a reasonable, legal, and just manner.

Mediation organizations are now set up in the urban and rural areas throughout the country and the majority of these organizations have played a fine role. However, there are also some mediation organizations that have not done their work properly. Regarding the civil disputes that have taken place between the rural and urban areas and between factories and neighborhoods, the mediation organizations have each tried to shift the responsibility onto others. Moreover, there are no mediators in the neighborhoods and residential buildings of some lanes. In order to give full play to the role of mediation organizations, it is necessary to reorganize and consolidate the ineffective mediation organizations. We must also spreadthe experience of some localities, such as: "providing a mediator for every 10 households" and setting up joint mediation committees between urban and rural areas, between factories and neighborhoods, and in areas where factories are concentrated so as to gradually form a mediation network and promptly settle the disputes wherever they take place.

Mediation work is a kind of ideological and political work of a mass character. The process of mediating a dispute is in fact a process of explaining policies, laws, and socialist morality to the person concerned. Therefore, our people's mediators should mediate disputes for the masses with a just attitude, a high sense of responsibility to the people, and lofty moral character. With regard to the sudden and repeated characteristics of civil disputes, our mediators should adopt forceful and appropriate measures to settle disputes as quickly as possible. We must eliminate the erroneous method of threatening and forcing the people concerned to submit by means of administrative powers, feudal superstitious customs, and seniority. We must do painstaking ideological work patiently and conduct mediation work in accordance with state laws and policies and socialist morality.

Viewed from the experience of various localities, a good job done in people's mediation work is closely related to the efforts made by the CPC committees there, which include regarding the people's mediation organizations as an important link between the party and government on the one hand, and the masses on the other hand, as the channel to understand public feeling, and as an assistant to maintain social order; exercising leadership; and giving due support. It is also related to the efforts made by local judicial organs and personnel and the people's courts, which include giving training and assistance to mediators.

To make the people's mediation work better suit the needs of the new period, party committees at all levels should further strengthen leadership and the judicial organs should give more guidance and assistance. We hope that the mediation organizations in all localities throughout the country will make an earnest study of the new emerging problems and push the people's mediation work to a new high plane.

GUANGMING RIBAO SPONSORS CULTURAL STRATEGY MEETING

HK091132 Beijing GUANGMING RIBAO in Chinese 31 Dec 85 p 1

[Report by Li Chunlin: "The Policy Study Office of the Ministry of Culture and the GUANGMING RIBAO Editorial Department Jointly Hold Forum on Strategy for Cultural Development"]

[Excerpts] On 25 and 26 December, more than 90 persons, including experts and scholars in Beijing cultural, theoretical, and technological circles and responsible comrades of the National Federation of Trade Unions and the CYL Central Committee, attended a forum to discuss strategy for cultural development. They discussed the position and role of culture in socialist construction and exchanged opinions on the current situation in our country's cultural work and the guiding principles for the formulation of cultural development strategy. They also put forward many useful proposals. The meeting was jointly sponsored by the Policy Study Office of the Ministry of Culture and the Editorial Department of GUANGMING RIBAO.

Minister of Culture Zhu Muzhi, Vice Minister of Culture Zhou Weishi, and GUANGMING RIBAO adviser Yin Can attended the meeting and made speeches. Famous scholars Yu Guangyuan and Qian Xuesen as well as Zhou Tianze, Zhang Zhuo, Zhu Jinxuan, Yan Hong, Miu Junjie, Bao Zunxin, Hu Sha, Zhu Desheng, Le Daiyuan, Chen Danchen, Cheng Lu, Li Zehou, Yan Jiaqi, Pang Pu, Liu Jianchang, and Sima Yunjie also spoke at the meeting. Tang Yijie, Chang Bo, Bao Zhenxi, and Jiao Yongfu submitted papers to the meeting.

Comrades attending the meeting held: Socialism has experienced the stages of theory, movement, and system, and now it has entered a stage of major development. The development of socialism will be in both the economic and cultural fields. Therefore, it is a matter of great significance to begin the formulation of a strategy for our cultural development when we are making efforts to develop our socialist culture.

They unanimously called for putting cultural work in a correct position in our country's socialist construction, and hoped that all of society will attach importance to cultural work. They said that henceforth, we should not excessively emphasize the primary-and-secondary relationship between economic and cultural work, but should fully realize that they are related to each other, and are overlapping, so they can promote each other and can be developed simultaneously in a harmonious way. Ideological and cultural work are two components of our socialist spiritual civilization. Culture determines the quality of people's mental world and forms the foundation for spiritual civilization. In the new period, people who have no cultural knowledge will not become persons of noble moral values who are full of creativity. Progressive elements in political activities and in their work should also be progressive elements in the cultural field.

When talking about the opening up in the cultural field, comrades attending the meeting pointed out: We should not merely rest content with absorbing and assimilating foreign culture, but should also introduce our country's splendid ancient culture and brilliant modern culture to the outside world.

Now, a mighty trend to combine Eastern culture with Western culture has appeared. This provides an opportunity for China to introduce its culture to the world. They said that full consideration should be given to the historical, national, and human characteristics of a culture when handling the relations between ancient and modern culture and between Chinese and foreign culture.

Comrades attending the meeting repeatedly emphasized the importance and urgency of cultural legislation. They pointed out: Henceforth, the leadership of the party and the government over cultural work should not rely merely on policies, but on both policies and laws. This is an important guarantee for the development of our cultural work. When talking about the operations in cultural work, comrades who made speeches at the meeting said: Operations are in fact social practice that can bring benefit to society. So there should not only be economic operations, but should also be educational, health, and cultural operations. We should establish China's theoretical system to guide cultural operations, continue to study the regularity of cultural work, and properly handle the relationship between social benefit and economic results. At the meeting, they also discussed the current issues of cultural development goals, the building of cultural facilities, the quantity and quality of cultural products, the training of cultural workers, the development of tourist culture, and the culture of eating and clothing.

At the end of the meeting, Zhu Muzhi pointed out in his speech: "Culture can be divided into big culture and small culture. Many comrades have discussed the cultural development strategy from the viewpoint of big culture. This has helped us widen our visions and our scope of thought."

When talking about the guidelines for formulating the strategy for cultural development, Zhu Muzhi said: "The central leadership has set forth a goal for our country's economic development by the year 2000 and even farther in the future. When formulating our cultural development strategy, we should give consideration to that economic development goal and should bring our cultural strategy into line with that goal. In addition, the formulation of the cultural development strategy should also be linked with the reforms in our cultural system. Without carrying out reforms, we will not be able to open a new road and to create conditions for development.

When talking about the content and specific items of the cultural development strategy, Zhu Muzhi said: "The content of the cultural development strategy should include four main parts: First, ideological building, second, the enhancement of the educational level of the whole nation; third, the development of more cultural facilities; and fourth, the training of cultural workers."

Zhu Muzhi finally said: The nationwide study of the cultural development strategy has just begun. The discussion meetings during these 2 days represents a beginning. We welcome scholars and experts in all fields and all comrades to show their concern for this work and to give their support to this work.

The speeches at the meeting will be published by this newspaper.

## JIANGSU GOVERNOR ADDRESSES PARTY MEETING

OW080900 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 7 Jan 86

[Excerpts] The Jiangsu Provincial CPC Committee held a meeting of responsible comrades of departments, commissions, offices, and bureaus yesterday afternoon. Those present exchanged their experiences in studying and implementing a circular issued by the General Offices of the CPC Central Committee and the State Council on solving several serious problems in the work style of party and government organs. They also discussed the general inspection of party style and studied how to further implement the circular.

In his speech at the meeting, Comrade Shen Daren discussed the study and implementation of the circular and the general inspection of party style in provincial-level organs over the past month. He said: The general situation is good, and leaders of most units have paid attention to the work in this regard. Meanwhile, many units have made specific arrangements or have taken concrete measures to implement this circular and have taken prompt action in this regard. Several inspection teams are stepping up their work in provincial-level organs in the light of problems in six aspects as pointed out in the circular.

In accordance with the guidelines laid down by the Standing Committee of the provincial party committee, Comrade Shen Daren put forward the following four views:

First, it is imperative to further study the circular issued by the General Offices of the CPC Central Committee and the State Council on solving several serious problems in the work style of party and government organs, to unify our thinking and understanding by grasping the guidelines of the document comprehensively and accurately, and to implement the document resolutely and conscientiously. The leading bodies and leading cadres should take the lead in rectifying party style. In this regard, provincial-level organs should set an example for the whole province.

Second, the ongoing general inspection of party style should stress education and the strengthening of party spirit and political consciousness as far as most comrades are concerned. All serious violations of the law and discipline must be thoroughly investigated and sternly dealt with. In the general inspection of party style, those who have acquitted themselves well should be commended, those who have made mistakes should be criticized, and those who have violated the law and discipline should be dealt with. All units and departments must seriously examine and sort out their six different kinds of serious problems as pointed out in the circular. At the same time, other unhealthy tendencies, especially political liberalism and bureaucratism in work style, must also be conscientiously rectified.

Third, efforts should be made to examine and sort out problems and to formulate or improve the necessary rules and regulations after gaining a clear understanding of the situation. Then, there will be rules and regulations to go by, and it will be possible to basically check unhealthy tendencies.

Fourth, it is necessary to effectively strengthen leadership and to ensure that positive results will be achieved in the general inspection of party style. The principal leaders of all units and departments should personally take a hand in the work, do it in a down-to-earth way, and solve problems effectively.

## JIANGXI URGES SUPPORTING OLD REVOLUTIONARY AREAS

OW070511 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 6 Jan 86

[Text] The provincial CPC Committee and the provincial people's government recently issued a circular to assign 69 units directly under provincial jurisdiction to establish links with 53 counties and cities in the old revolutionary areas in order to help the

latter shake off poverty and achieve prosperity.

The circular said this link will remain in effect for 3 years. Units assigned to establish links with the old areas should set up corresponding organizations or assign special people to take charge of related matters. At regular intervals, they should assign efficient cadres to investigate and study the practical situation; conscientiously implement the principles and policies for construction in the old areas; and help the old areas formulate annual plans and plans for achieving prosperity and shaking off poverty by taking the local situation into consideration. They should make overall planning for financial and material support from all quarters to the construction in the old areas; help the old areas develop economic and technical cooperation through many channels, at many levels, and in many forms; introduce things from abroad and integrate with domestic partners; and, based on the characteristics of the work in their respective units, support the old areas in terms of funds, materials, technology, information, qualified personnel, and market.

The circular stresses that all departments directly under provincial jurisdiction should regard supporting construction in the old areas as an important task; make it a regular practice to maintain links with these areas; effectively improve party work style of leading organs; oppose ostentation and realize practical results in all work; and do good deeds for the people in the old areas.

SHANDONG TO DEVELOP TOWN-RUN ENTERPRISES

SK080025 Jinan Shandong Provincial Service in Mandarin 2300 GMT 3 Jan 86

[Text] In 1986 our province will shift its work emphasis in improving township-and town-run enterprises in order to endeavor to conduct reforms, to enhance management, and to make technical progress. We should first have our enterprises upgrade their product quality, increase economic results, and improve their standards. This was the decision adopted at the provincial conference that concluded recently with the participation of directors of prefecture-city level bureaus in charge of developing a diversified economy and township-and town-run enterprises, at which participating comrades conducted analysis and study regarding the current situation prevailing among the township-and town-run enterprises throughout the province.

During the past 2 years, our province has achieved rapid speed in developing township-and town-run enterprises. At present, the province has more than 700,000 township-and town-run enterprises that accommodate more than 6.5 million among the rural labor force. In 1985 their total income reached more than 22 billion yuan. However, they still have unbalanced development.

The conference pointed out: Areas that have a better foundation for developing township-and town-run enterprises should refrain from opening new enterprises or open as few new ones as possible in 1986. They should put their emphasis on tapping latent power among their enterprises, carrying out reforms, and conducting the expansion of products and reproduction. They should improve the responsibility systems concerning business and management, sign contracts with the collectives that have their plant chief in charge, and should refrain from signing contracts with individuals by issuing a bid. Contracts should include details on product output and quality, costs, profits, and the rate of equipment renovation. By no means should they only enforce the contract system on (?profits). They should continuously consolidate or enhance their business and management in order to increase economic returns and to upgrade quality among the enterprises.

They should vigorously conduct the work of holding training classes, recruiting new workers, discovering talented personnel, and providing scientific and technological information.

Areas that have a poor foundation for developing these enterprises should act according to their capability to inaugurate some new production items that are small in scale, require small investment, and can yield rapid results by proceeding from the local conditions with regard to natural resources and the needs of local markets. They should concentrate on developing processing industries with the major raw materials from farm or sideline products, such as the industries dealing with foodstuffs and feeds.

Areas that have proper conditions should also develop the production of building materials, mining and coal extraction, export commodities, and tertiary industry. Suburban areas should also develop the production of commodities supporting the work of major industries.

SHANDONG SECRETARY VISITS BROCADE EXHIBITION

SK090759 Jinan Shandong Provincial Service in Mandarin 2300 GMT 8 Jan 86

[Excerpts] The exhibition on brocaded articles for daily use made by four counties in the southwestern part of Shandong opened at the provincial industrial exhibition hall on the morning of 8 January.

Comrade Liang Buting was very glad when he saw the bright, lustrous, and beautiful items on display. He told the responsible comrade of the relevant departments who had accompanied him to the exhibition that the counties with rich cotton production should develop and make the most out of their cotton.

This exhibition was jointly sponsored by such units as the provincial Economic Commission and the provincial Women's Federation. More than 600 items of different designs woven in handspun cloth or silk by the four counties, which included Juancheng, Yuncheng, and Jiaxiang, were put on display. Some fashionable dresses, clothes, articles, and tourist souvenirs made of handspun cloths or silk were also put on display.

RUI XINGWEN ARTICLE IN NEW SHANGHAI PUBLICATION

OW061344 Shanghai City Service in Mandarin 0100 GMT 6 Jan 86

[Text] The Shanghai LAONIAN BAO [SENIOR CITIZENS NEWS] will begin publication on 7 January. The first issue will carry an article by Rui Xingwen, secretary of the Shanghai Municipal CPC Committee, entitled: Show Concern for Elderly Persons.

In the article, Comrade Rui Xingwen put forward a 4-point opinion on how to do good work for elderly persons in Shanghai. He pointed out the need to display the virtue of respecting elders and loving children, enable old people to have a happy life in their remaining years, continue to bring into play the role of elderly persons in building the two civilizations, provide good welfare for old people, and pay attention to studying their problems. He also urged the medical science circle to tackle difficult problems concerning illness among old people.

The Shanghai senior citizens choral group held a meeting marking its fifth founding anniversary at the Xuhui District Workers Club on 5 January. Rui Xingwen and Vice Mayor Liu Zhenyuan attended the meeting to extend their greetings.

RUI XINGWEN, JIANG ZEMIN CALL ON SHANGHAI ELDERS

OW040831 Shanghai City Service in Mandarin 0100 GMT 2 Jan 86

[Text] On the afternoon of the New Year's Day, Rui Xingwen, secretary of the Shanghai Municipal CPC Committee, and Jiang Zemin, mayor of Shanghai, called on Zhou Gucheng, vice chairman, and Su Buqing, member, of the NPC Standing Committee, and noted painter Liu Haisu. They extended cordial festival greetings to these three healthy elders and their wives, wishing them all good health and long lives.

Accompanying them on the calls were Chen Tiedi, member of the Standing Committee; Liu Wenqing, deputy secretary general; and Pan Weiming, deputy director of the Propaganda Department of the municipal CPC Committee.

HAO JIANXIU, RUI XINGWEN AT SHANGHAI VOLLEYBALL MATCH

OW050035 Beijing XINHUA Domestic Service in Chinese 1457 GMT 31 Dec 85

[Summary] Shanghai, 31 Dec (XINHUA) -- An exhibition volleyball match between the world women's all-star team and the Chinese women's volleyball team took place at the Shanghai Stadium this afternoon.

"Hao Jianxiu, member of the Secretariat of the CPC Central Committee, who was visiting Shanghai; Rui Xingwen, secretary of the Shanghai Municipal CPC Committee; Jiang Zemin, mayor of Shanghai; and Acosta, president of the International Volleyball Federation, and his wife, watched the match."

SHANGHAI LAUNCHES DOMESTIC AIR SERVICE

OW061958 Beijing XINHUA in English 1649 GMT 6 Jan 86

[Text] Shanghai, January 6 (XINHUA) -- Shanghai has launched its own domestic airline -- Shanghai Air Lines, it was announced here today.

According to He Pengnian, chair of the airline's board of directors, the company at first will concentrate on charter and freight service -- its main business -- and begin scheduled passenger flights in July. He said the airline expects to fly regularly from Shanghai to Beijing and Guangzhou as well as from Guangzhou to Beijing.

He said five Boeing 707 aircraft have been bought from the United States for the service, which has been approved by the Civil Aviation Administration of China and the State Administration for Industry and Commerce.

SECURITY SERVICE COMPANIES POPULAR IN GUANGZHOU

HK090951 Beijing ZHONGGUO XINWEN SHE in Chinese 0643 GMT 6 Jan 86

[Report by Xie Jianux: "'Civil-Run Armed Escort Bureaus,' a New Force Suddenly Coming to the Fore in Guangzhou"]

[Text] Guangzhou, 6 Jan (ZHONGGUO XINWEN SHE) -- The business-type security service companies in Guangzhou enjoy high prestige. The people now regard them as "civil-run armed escort bureaus."

On the eve of the new year, a chemical warehouse in the suburbs of Guangzhou caught fire. The situation was critical because the fire spread fast and there was a large amount of liquid benzene nearby. When the guards of the security service company discovered the disaster while on patrol, they immediately took effective measures to put out the fire. The next day, the responsible persons of the departments concerned personally expressed their thanks to the security service company and spoke highly of the deeds of the guards.

It has been learned that there is now a total of 13 "civil-run armed escort bureaus" in Guangzhou (including the suburban counties) with around 500 guards, providing security services for some 100 clients. These security organizations were set up one after another from April last year. The services they offer include security guards, patroling, escorting valuable and dangerous goods, and providing security work for celebration ceremonies, markets, cultural centers, and stadiums.

The reporter discovered that the guards of the "civil-run armed escort bureaus" working in the public places in Guangzhou were all tall and sturdy. Dressed in trim uniforms with shoulder emblems and truncheons at their waists, they all looked serious and earnest. The oldest was 30, while the youngest was only 18. Most of them were selected from among demobilized soldiers in the suburbs of Guangzhou.

Different from the government public security organs, the duties of the civil-run "escort bureaus" include protecting the property of clients and their personel safety and maintaining social order. They do not have the right to arrest people, make body searches, or investigate and crack criminal cases like the public security organs. Their activities and services are financed by their clients.

Their reporter visited a few restaurants run on a joint-venture basis which employed security guards. According to their stories, the practices of eating without paying, fighting, and stirring up trouble decreased remarkably as a result of the employment of security guards. Some factories and department stores also spoke highly of the role of security guards. There were frequent burglaries in a certain large factory. With the assistance of the security guards, three cases of theft were cracked, and hence no more burglaries took place. After the four markets under the industrial and commercial administrative department of a certain district employed security guards, market order in the locality improved considerably.

It has been learned that some individual businessmen in Guangzhou have also employed security guards. Some districts and highway sections have allocated funds jointly to employ security guards. Some units employ these guards on a permanent basis, others on a temporary basis. As demand exceeds supply, some clients, such as a shipyard, a gold and silver ornament factory, and a copper plant that badly need security guards, have been unable to employ any so far.

HENAN HOLDS MEETING ON ECONOMIC DEVELOPMENT

HK081228 Zhengzhou Henan Provincial Service in Mandarin 2330 GMT 6 Jan 86

[Text] On the afternoon of 6 January, the provincial people's government held its first plenary meeting to sum up work in 1985 and make arrangements for 1986. Provincial Governor He Zhukang and provincial CPC Committee Seceretary Yang Xizong delivered speeches at the meeting.

The meeting held that the province's economy developed steadily and healthily in the course of reform. The targets set in the Sixth 5-Year Plan have all been overfulfilled in an all-round way. Progress has been made in all fields. New breakthroughs have been made in some aspects. This is the first year of the Seventh 5-Year Plan. Properly carrying out work is of important significance to further consolidating and developing the excellent situation, ensuring the fulfillment of the targets of the Seventh 5-Year Plan, and invigorating the province's economy in the 1990's.

In 1986, the province should continue to put reform above all, firmly grasp the reform and technological advancement, actively carry out two opening ups, grasp priority work and weak points, improve the work style of administrative organs, and properly handle the relationship between the work for the short, medium, and long terms, between opening up to the domestic side and the outside world, between quantity and quality, and between economic work and ideological and political work, so as to do better than in 1985.

Comrade Yang Xizong gave four opinions:

1. Reform should continue to be put in first place. The essence of reform is to enliven enterprises, large and medium-sized enterprises in particular. It is necessary to bring into full play the initiative of enterprises and strengthen horizontal economic links.

2. It is necessary to reasonably readjust the production structure, to exploit and use natural resources, and to vigorously develop the food industry and consumer goods industry.

3. While building socialist material civilization, it is necessary to strengthen the building of socialist spiritual civilization.

4. Leading cadres and leadership organs must set a good example in correcting party style, overcome bureucraticism, and avoid the malpractice of cadres seeking private interests by taking advantage of their power and engaging in corruption. They must be honest in performing their official duties, refuse to be contaminated by evil influences, and closely link with the masses.

Provincial Vice Governors Zhang Zhigang and Hu Jiyun attended the meeting. Also attending the meeting were Comrades Yue Xiaoxia and Ji Hanxing.

## SICHUAN MEETING DISCUSSES NATIONAL DEFENSE INDUSTRY

HK090421 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 8 Jan 86

[Text] A conference of the provincial national defense science, technology, and industry system on switching to production of civilian goods while ensuring military needs concluded in Chengdu on 8 January after 4 days in session. The meeting got a clear idea of the situation and tasks in the national defense industry and made arrangements for this year's production and science and technology work.

After full discussion and exchange of views, the participants proposed that it is essential to persistently put reform in the first place and invigorate the enterprises. While giving priority to fulfilling the task of producing military goods, it is necessary to do everything possible to vigorously develop production of civilian goods. Attention must be paid to improving product quality and strengthening quality control. More high-quality products should be turned out. It is necessary to strengthen modernized management of the enterprises, improve economic results, develop lateral ties, and further launch the work of transferring the fruits of national defense industry technology and of promoting economic and technical cooperation. At the same time, it is necessary to build the two civilizations together, and ensure the fulfillment of the year's production and scientific research plans, so as to contribute toward the province's economic invigoration.

Governor Jiang Minkuan and Vice Governors Gu Jinchi and Hu Haiqing spoke at the meeting, putting forward hopes and demands regarding the province's national defense science, technology, and industry. Lu Dadong, director of the State Council's Third-Line Office [san xian bangongshi], attended the meeting.

## XIZANG ISSUES CIRCULAR ON CURBING MALPRACTICES

HK090313 Lhasa Xizang Regional Service in Mandarin 1130 GMT 7 Jan 86

[Text] The regional Discipline Inspection Commission recently issued a circular urging party organizations at all levels to take effective measures to resolutely curb the malpractices of giving lavish dinner parties and eating and drinking extravagantly.

The circular read: The region basically put an end to the malpractice of giving lavish dinner parties and eating and drinking extravagantly in 1983. In recent years, however, the malpractice has once again appeared and developed. By making use of holidays and holding meetings, quite a few units have given dinner parties to eat and drink extravagantly. Some units have seized the opportunity of holding meetings to issue more subsidies, material goods, and souvenirs without authorization. Under the name of economic cooperation, some units have given dinner parties to treat others and to eat and drink extravagantly. This malpractice has not only caused economic losses to the state and people, but has also impaired the party's reputation and corrupted party style and social values, thus exerting a bad influence and causing many complaints from the masses. Party organizations at all levels must take effective measures to resolutely curb this malpractice.

The circular pointed out that party organizations and leading cadres at all levels must implement the spirit of the circular issued by the Central Discipline Inspection Commission that prohibits inviting leading cadres to dinner parties or sending them gifts, and must properly grasp the following:

1. They must strengthen political and ideological work, properly carry out propaganda work and conduct education among the masses so as to mobilize party organizations at all levels and the staff and workers in the region, to oppose and resist the malpractice of giving lavish dinner parties and eating and drinking extravagantly.

2. Leading cadres must set a good example in curbing the malpractice.

3. It is necessary to enforce financial and economic discipline and oppose extravagance and waste. It is necessary to adhere to the standard of scale boarding charges for various meetings in accordance with relevant stipulations. It is absolutely impermissible to upgrade the standard of scale boarding charges without authorization and to issue souvenirs arbitrarily. If necessary, it must be examined and approved officially. If there are cases in violation of relevant stipulations, it is necessary to recover all the money in excess of the scale charges and to find out and affix the responsibility for the violation.

In conclusion, the circular demanded that CPC committees and discipline inspection commissions at all levels conduct a thorough investigation into the malpractices of giving lavish dinner parties and sending gifts and souvenirs after 1984, and report the investigation to the regional Discipline Inspection Commission before the Spring Festival.

DANGZIN URGES ELIMINATING LEFTIST INFLUENCE IN XIZANG

HK090147 Lhasa Xizang Regional Service in Mandarin 1130 GMT 6 Jan 86

[Text] On the afternoon of 29 December, in his speech at the enlarged meeting of the Xigaze Prefectural CPC Committee, Dangzin, deputy secretary of the regional CPC Committee, demanded: All counties, districts, and departments and leading cadres at all levels must inspire enthusiasm, transform their work style, regard the implementation of the spirit of the enlarged meeting of the regional CPC Committee Standing Committee as their current important task and central work, do well in firmly grasping it, and in conjunction with reality, do well in conducting education in going further in negating the Cultural Revolution, in eliminating leftist ideological influence, and in straightening out the ideological line, seriously report the situation in doing everything in these respects, and make new contributions toward making the people in Xizang get rich as soon as possible.

While conveying the spirit of the three central conferences and the enlarged meeting of the regional CPC Committee Standing Committee, Comrade Dangzin cited many facts to explain why we must still raise the problems of totally negating the Great Cultural Revolution and eliminating leftist ideological influence. Regarding the implementation of the spirit of the enlarged meeting of the regional CPC Committee Standing Committee and the next step in work, he emphasized three points:

First, we must unswervingly regard conveying and implementing the spirit of the enlarged meeting of the regional CPC Committee Standing Committee as the current most important task and central work of the whole region and grasp it firmly and well. The central authorities have made known their position that they are satisfied with going further in three respects and doing everything in three respects put forward by the regional CPC Committee and with all the work decided by the enlarged meeting of the regional CPC Committee Standing Committee. The meeting grasped the crucial point of Xizang work and issued [words indistinct]. The great majority of the cadres and the masses have held that this meeting was successful. If the spirit of this meeting is implemented, Xizang will be full of promise. We must regard the implementation of the spirit of this meeting as our life work and grasp it firmly and well. We must really implement the spirit of the meeting so as to push forward and promote all work. We must by no means do things perfunctorily and superficially.

In the past, we discussed perfunctorily and superficially the question of the criteria for testing truth in Xizang and did not pentratingly and thoroughly conduct education in negating the Great Cultural Revolution. This has left behind many aftereffects in work in our region. We must draw the historical experiences and lessons and implement the spirit of this meeting in a down-to-earth manner.

In the course of discussing the implementation of the spirit of the meeting, we must aim at events, not persons. In negating the Great Cultural Revolution and eliminating leftist influence, we must by no means use the leftist method applied during the Great Cultural Revolution. At the same time, while conveying and implementing the spirit of the enlarged meeting of the regional CPC Committee Standing Committee, we must grasp the focal point and give prominence to conducting education in going further in three respects. When we grasp this, we grasp the main spirit of the meeting.

Second, on the basis of solving well the problem of going further in three respects, we must really ensure doing everything in three respects, that is, basing everything on Xizang realities, doing everything to develop productive forces, and doing everything for the well-being of the people in Xizang, which has been put forward by the regional CPC Committee. If we do not solve well the problems of going further in three respects, our work will be adversely affected and losses caused to the party's cause and the people in Xizang.

Third, education in going further in three respects must be linked with the realities of our own prefecture, counties, districts, and units. In totally negating the Great Cultural Revolution and solving the problems of leftist ideological influence, we must not only understand the problems of the whole region and whole prefecture but also understand and solve the problems of our own counties, districts, and departments. Only by eliminating leftism in the light of realities can we solve the practical problems. We must not only get rid of leftist expressions and sort out and classify the problems but also find the reasons for leftism and work out measures to thoroughly eliminate it and correct the ideological line in the future so that education and measures can be carried out penetratingly and specifically.

Comrade Dangzin encouraged the cadres at all levels and of all nationalities to act as masters, inspire enthusiasm, seriously transform their work style, do well in implementing the spirit of the enlarged meetings of the regional CPC Committee and Xigaze Prefectural CPC Committee, and make new contributions toward making the people in Xizang rich as soon as possible.

## BEIJING MILITARY REGION READJUSTS LEADING BODIES

HK090510 Beijing RENMIN RIBAO in Chinese 3 Jan 86 p 5

[Report by Jin Gan and Ye Xulin: "Readjustment of Leading Bodies at the Division and Brigade Levels of Various Combined Arms Armies Under the Beijing Military Region Is Completed"]

[Text] The readjustment of leading bodies at the division and brigade levels of various combined arms armies under the Beijing Military Region has been basically completed. The readjustment has improved the quality and rationalized the structure of the leading bodies which are now leading the units in a creative way.

Last autumn, according to the organization system and structure as well as the reorganization plan formulated by the CPC Central Committee Military Commission, Beijing Military Region began to readjust the leading bodies at the division and brigade levels. The CPC Committee of Beijing Military Region immediately issued instructions demanding all units to resolutely implement the policy of the "four transformations" of cadres and the principle of "readjusting, strengthening, and stabilizing" the leading bodies. Commander Qin Jiwei and Political Commissar Yang Baibing as well as the other four members of the CPC Committee Standing Committee of the Beijing Military Region led cadres from headquarters to go deep into the units to give specific instructions. A combined arms army proposed a readjustment plan which would greatly reshuffle the leading bodies at the division and brigade levels and would push more than 10 relatively young and capable cadres at the division level out of the leading bodies of that unit. When Commander Qin Jiwei, who was then carrying out investigations in that combined arms army, discovered this, he immediately talked with the leaders of that combined arms army and expounded on the significance of implementing the principle of "readjusting, strengthening, and stabilizing" the leading bodies to them so that the combined arms army revised its plan according to the actual situation of the unit. Other combined arms armies immediately adopted the same method, thus preventing big reshuffles in the readjustment of leading bodies.

In readjusting the leading bodies at the division and brigade levels, the Beijing Military Region CPC Committee has always adhered to principle, has never been swayed by personal considerations, and has promoted cadres who should have been promoted, removed cadres who should have been removed from office, and transferred cadres who should have been transferred, thus greatly improving the quality of the leading bodies. A leading cadre who had originally served in a certain artillery division was nominated for promotion by the relevant unit when the artillery division was to be abolished. When the office of the military region discovered that this cadre had made use of the opportunity of his unit's reorganization to approve recklessly distributing the unit's property, thus violating principle, the Beijing Military Region CPC Committee decided to remove him from office and also ordered him to make a thorough self-criticism.

The simplification and reorganization of units have abolished a large number of units at the Army and division levels, so a lot of outstanding cadres now need to go from one unit to antother to exchange experiences with other cadres. The military region CPC Committee has ordered all the combined arms armies to adhere to the principle of uniting "cadres of all units," do a good job in the exchange of cadres, and welcome the cadres assigned to work in the units by the higher authorities.

All the units have been ordered to take the whole situation into account, treat cadres from other units and cadres from the higher authorities equally without discrimination, and use and promote those cadres who are outstanding. According to statistics, there are now more than 60 exchange cadres in the leading bodies at the division and brigade levels of various combined arms armies under the Beijing Military Region. All the cadres are now working in unity, making up each other's deficiencies and opening up new prospects for their work.

HEBEI PLANNING WORK CONFERENCE CONVENED 12 DEC

SK090445 Shijiazhuang Hebei Provincial Service in Mandarin 2300 GMT 15 Dec 85

[Text] The provincial planning work conference opened in Shijiazhuang on 12 December. The major purposes of the conference are to study preliminary ideas on the Seventh 5-Year Plan and the arrangements for the 1986 plans, and to explore ways to carry out the province's economic construction more successfully in order to develop the various undertakings of our province in a sustained, stable, and coordinated manner.

On 12 December, Governor Zhang Shuguang gave an important speech on the guiding ideology, principles and policies, key areas, and basic measures for the province's national economic and social development during the Seventh 5-Year Plan period. Vice Governor Li Feng spoke on speeding up the development of the mountainous, coastal, and plateau areas, and Vice Governor Hong Yi spoke on financial issues.

On the morning of 15 December, Vice Governor Ye Liansong gave a speech to explain the arrangements for the province's 1986 plan for national economic and social development.

During the past few days, participants to the conference held group discussions on the speeches of the leading comrades of the provincial government. They held that Comrade Zhang Shuguang's speech embodied the guidelines of the central authorities for the construction covered by the Seventh 5-Year Plan, conformed to the actual conditions of our province, objectively analyzed the fulfillment of the Sixth 5-Year Plan, and clearly defined the guiding ideology, strategic arrangements, and principles and policies for national economic and social development during the Seventh 5-Year Plan period. The speech pointed out a correct direction, stressed actual results, pinpointed major areas, and put forward new ideas on some major issues.

HEBEI ACHIEVES RESULTS IN CORRECTING IRREGULARITIES

OW081444 Beijing XINHUA Domestic Service in Chinese 1735 GMT 8 Jan 86

[By reporter Guo Jie]

[Excerpts] Shijiazhuang, 8 Jan (XINHUA) -- Paying attention to typical cases, the conduct of leading organs, and education among the party members, Hebei Province has achieved remarkable results in correcting new unhealthy practices.

As a result of the efforts to correct unhealthy practices in the past year or so, most provincial organs have stopped what is banned, and the party organizations of most units and the great majority of the party members have a stronger sense of organization and discipline.

Xing Chongzhi, secretary of the Hebei Provincial CPC Committee, pointed out at a forum on the second-stage party rectification in early April 1985 that to correct the new unhealthy practices resolutely was a central task to improve party conduct in 1985.

He demanded that before the provincial conference of party delegates in May [1985], education in party character, ideals, and discipline be universally conducted among the party members to improve their quality and make them firmly foster the notion of serving the people wholeheartedly. At the same time, he called on the party organizations at all levels to analyze typical cases of unhealthy practices and sum up experiences and lessons to educate the cadres.

The provincial party committee puts great emphasis on the exemplary role of leading cadres and leading bodies. At its first and second enlarged plenary meetings, the provincial party committee called on the leading cadres at all levels in the province to ensure good conduct with regard to money, power, favotitism, personnel affairs, and honesty. At a meeting of the cadres who are party members of the provincial organs in November, the provincial party committee instructed all cadres to impose a ban on the "10 malpractices," such as spending public funds on dinner parties and gifts, accepting invitations to dinner parties, and taking advantage of one's power to seek private gains.

## NEI MONGGOL PUNISHES ECONOMIC CRIMINALS

SK080126 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 6 Jan 86

[Text] (Wei Guotai), manager of the Beifang Industrial Company in Xilin Hot City; (Wang Xiuyi), deputy manager of the company; and (Yun Ji), vice president of the Xilin Hot City Agricultural Bank, were punished according to law for smuggling cars by using huge amounts of cash, taking advantage of reform. Some party and government cadres who had a hand in this smuggling case were strictly punished according to the party and administrative discipline.

In reality, Beifang Industrial Company is an individually owned enterprise with only several thousand yuan of funds. However, it falsely reported that it possessed 1 million yuan of funds. During the past year or so since its founding, the company has successively asked for more than 6 million yuan in loans from the state.

(Wei Guotai), a former cadre of the Xilin Gol League Agricultural Bank, was kept on the rolls with payment of wages suspended. (Wang Xiuyi), a former cadre of the Xilin Gol League Overseas Chinese Affairs Office, was kept on the rolls with payment of wages suspended. In league with (Yun Ji), they adopted such evil practices as turning things upside down, employing trickery, and cheating leaders of relevant departments to purchase 14 cars and microbuses and 3 color television sets from Hong Kong businessmen through Shenzhen customs. The total sum involved in this smuggling case reached 1.08 million yuan.

In November 1984 in Guangzhou, (Wang Xiuyi) found forms documenting that overseas Chinese and Hong Kong and Macao compatriots presented materials to their families and relatives when they returned to their hometowns. After that, such persons as (Wei Guotai) falsely reported to (Hasibaseer), Standing Committee member of the Xilin Hot City CPC Committee and vice mayor of the city that a certain company in Guangdong Province wanted to present 50 Japanese-made cars and other items to Xilin Gol League. Various persons, including (Hasibaseer), though knowing well about this false report, soon went through the formalities for approving acceptance of these materials. After going through the formalities, they asked leading comrades of the league administrative office for a certificate of acceptance of the cars presented by a certain company in Hong Kong. Under the circumstances in which the real facts were not known, leading comrades of the administrative office, in the name of the administrative office, wrote a report to the regional government on entrusting the Beifang Industrial Company to accept these cars. After that, (Wei Guotai) adopted some means to get the regional government and the State Supplies Bureau to issue certificates of approval for acceptance of these cars and certificates concerning delivery of these cars to Xilin Hot City.

After getting the certificates of acceptance for the Japanese-made cars presented by the Hong Kong company, they asked for loans from (Jun Ji) and (Wang Runfu), vice presidents of the Xilin Hot City Agricultural Banks, and responsible persons of the bank. Various persons, including (Er Frdun), vice president of the bank, thought that they could get cars by taking advantage of this opportunity and agreed to extend 200,000 yuan in loans. Under the circumstances of knowingly violating the state regulations concerning cash management, (Yun Ji), who wanted to purchase a private car, drew 500,000 yuan in cash from the city People's Bank under the false pretence of lack of funds on the part of grass-roots business centers. After that, with the approval of (Er Erdun), (Yun Ji) drew 70,000 yuan in cash from the city People's Bank.

On 7 January 1985, 15 persons, including (Wei Guotai), (Yun Ji), and (Yuanbaseer), adviser to the league Agricultural Bank, took 570,000 yuan in cash and went to Shenzhen to pick up the cars.

Leaders of the Xilin Gol League People's Bank reported to the higher levels as soon as they had discovered this case, on the same day. After learning about the reality, leaders of the regional People's Bank and the regional Agricultural Bank initiated steps to immediately recover the cash and asked those who had gone to pick up cars in Shenzhen to return.

But some persons, including (Wei Guotai), paid no heed to the organizational decision, but were bent on having their own way. In order to avoid the organizational investigations, (Yun Ji), in league with others, obtained a current deposit book by depositing 1 yuan in a certain savings bank in Shenzhen. He arbitrarily filled in and sealed the deposit book, and took it as a certificate of having deposited money in the bank. (Wang Xiuyi) adopted the means of signing fake contracts to defraud a certain company in Shenzhen of 250,000 yuan to pay customs taxes.

These persons adopted the above-mentioned fraudulent means to conclude cash transactions with Hong Kong businessmen and purchase cars.

The Beifang Industrial Company seriously violated the law on customs and the guidelines of relevant documents of the State Council by purchasing cars under the guise of accepting them as a gift. This is a serious smuggling case.

In order to guard the sanctity of the law, discipline, party discipline, and administrative discipline, a judicial organ has arrested (Wei Guotai), (Wang Xiuyi), and (Yun Ji) according to the law. The Xilin Gol League CPC Committee also decided to remove (Hasibaseer) from the posts of Standing Committee member of the Xilin Hot City CPC Committee and vice mayor of the city, to give him a serious party discipline warning, and to remove him from the post of adviser, according to administrative discipline. (Er Erdun) and (Wang Runfu), respectively, were given a party discipline warning and a serious party discipline warning. Other relevant departments and persons involved in this case must deeply sum up their experiences and draw lessons with regard to their mistakes in negligently studying and implementing the policies and decrees of the party and the state. Simultaneously, a circular was circulated to commend those comrades who bravely resisted the illegal and undisciplined activities, including (Yuan Shuyi), vice president of the Xilin Gol League People's Bank; (Ruan Jiming), deputy head of the accounting section of the city Agricultural Bank; (Zhang Lude), former head of the accounting section of the city Agricultural Bank; and (Ge Xiuji), head of the cashiers' section of the bank.

Recently, the regional Discipline Inspection Commission issued a notice calling on party organizations at all levels and the broad masses of party-member cadres to take this case as a negative lesson in order to enhance their party spirit; upgrade their understanding of the law, discipline, and administrative discipline; and consciously correct party style.

SHANXI LEADER SPEAKS ON CURRENT RURAL SITUATION

HK090307 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 8 Jan 86

[Excerpts] Vice governor Guo Yuhuai delivered a report on the current rural situation and the state of rural reforms at the 16th meeting of the provincial People's Congress Standing Committee on 7 January.

He said: A question that merits our attention during the readjustment of the rural production structure is that grain production must absolutely not be relaxed. Shanxi's grain production level is still rather low and output is also very unstable. The province achieved record grain output in 1984, but the amount of grain available per person was only 671 jin, 120 less than the national average of 791 jin. Considering the continual improvement in living standards, the further development of the food and fodder industries and of animal husbandry, and the increased demand for commodity grain in the wake of the building of the province's energy, heavy, and chemical industry bases, the province's current grain output is far from meeting the ever-growing demands of society. The provincial government has therefore repeatedly drawn the serious attention of all localities to the relaxation of grain production and the situation in procurement and sales work in certain places. It is essential that the cadres at all levels always remember that agriculture is the foundation of the development of the entire national economy and that grain is the foundation of the foundation. This is a long-term strategic principle that must be unswervingly implemented.

On the question of helping poor areas transform their situation, Guo Yuhuai said that during 1985 the party committees and government at all levels seriously implemented the scheme on this question formulated by the provincial CPC Committee and government and grasped the work of helping 31 poor counties to transform their situation as a strategic focal point.

In order to help these places to transform themselves as soon as possible, we first took steps to further relax the policies. We have instituted more flexible, more open, and more appropriate policies for these areas, compared with ordinary areas, and given the peasants there more operational decisionmaking powers. We have also lightened the burden of the peasants in poor areas and instituted favored treatment policies, most of which have now been implemented. According to initial information, the people of the 31 poor counties have thereby gained 125 million yuan in tangible benefit. At the same time, we have used the central low-interest loans for supporting poor areas, [words indistinct] and funds allocated by the provincial authorities to invest 201.19 million yuan in the 31 counties to help them strengthen infrastructural construction, readjust the rural production structure, and develop township enterprises. Good results have been achieved. Some 75 million yuan have also been allocated to provide teaching equipment and books for key secondary schools and teacher training schools in poor areas.

According to statistics from 25 poor counties, in the past year they have also imported 200 million yuan and $400,000 in investment in arranging 544 technical projects. They have brought in 1,593 technical experts of all types. These moves have promoted the readjustment of the production structure and the development of township enterprises.

## LIAONING ARRANGE SPRING FESTIVAL PUBLIC SECURITY WORK

SK090515 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 8 Jan 86

[Text] This afternoon, the provincial people's government held a telephone conference to arrange for the public security work during the Spring Festival period. Wang Julu, Standing Committee member of the provincial CPC Committee and secretary of the provincila Political and Legal Commission, presided over the conference. Vice Governor Zuo Kun spoke at the conference.

First of all, Comrade Zuo Kun reported on the recent provincial public security situation. He said: After several years of struggle against serious criminal offenses, our province has already effected a marked improvement in public order, and the broad masses of the people have had the sense of security in general. However, we have not yet effected a fundamental turn for the better in public security; some serious cases have cropped up; the cases of robbery are still very conspicuous at some plants, mines, enterprises, and institutions; and traffic accidents have been on the increase in both urban and rural areas.

He pointed out: To maintain public order and strengthen public security during this Spring Festival, we must, as early as possible, mobilize the entire party and all of people to take precautions against accidents and criminal offenses, and should conduct an extensive inspection on security work, focusing on preventing fires, accidents and robberies in order to eliminate all unsafe factors. In addition, we should strengthen traffic management, should conduct education on safety among drivers, and should assign more personnel to work for the key departments and areas. Political, judicial, and public security organs at all levels should concentrate on strengthening public security. All kinds of criminals who undermine public security should be dealt with severely.

Comrade Zuo Kun stressed in conclusion: Leading cadres of party and government departments at all levels must pay attention to the public security work during the Spring Festival in order to ensure that the masses will celebrate the Spring Festival safely and joyously.

## GANSU SCORES SUCCESS IN CONTROLLING POPULATION GROWTH

HK091257 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 7 Jan 86

[Text] During the Sixth 5-Year Plan period, the province achieved gratifying results in controlling the population growth and advocating the policy of one child per couple.

According to the requirements of the Sixth 5-Year Plan, the target for the province's population in 1985 was 20.45 million. The statistics of October last year revealed that the total population of the province was 20.563 million.

During the period, the birth rate for women of childbearing age was gradually reduced. In 1981, 78.6 per 1,000 women of childbearing age gave birth. The rate dropped to 67 in 1984. As a result of the sharp decline in the birth rate, the number of one child families increased. The statistics of October last year reveal that one child families total more than 27,500, or 5.4 times more than in 1980.

The number of women giving birth to their first child increased and that of women giving birth to additional children decreased. By October 1985, the rate of women giving birth to their first child increased from 53.1 percent in 1981 to 61.8 percent; while the rate of women giving birth to additional children decreased from 19.4 percent to 6.9 percent.

## GANSU RADIO COMMENTARY ON SPIRITUAL CIVILIZATION

HK091235 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 6 Jan 86

[Station commentary: "Let the Flower of Spiritual Civilization Blossom All Over Gansu"]

[Text] The achievements scored and experiences gained by the Air Force of the Lanzhou Military Region and the Lanzhou Railroad Bureau in making joint efforts to build spiritual civilization have proved once again that the activities of Army-people joint efforts to build socialist spiritual civilization are significant activities which are beneficial to the country, people, and Army, play an important role, and have strong vitality. Over the past few years, under the direct leadership of the Lanzhou Military Region, Air Force of the Lanzhou Military Region, and Gansu Military District, the PLA stationed in our province has seriously implemented the instructions of the central leading comrades and made concerted efforts with the localities to build socialist spiritual civilization. With full cooperation, the Army and localities have learned from each other and made joint efforts to promote civilization. The activities have developed from isolated points to a whole area, from shallow to deep, and from the rural areas to the urban areas, effectively changing the environmental outlook of the urban and rural areas, promoting improvement in the general mood of society, enlivening the mass cultural life, and developing Army-government and Army-people relations in the new period. The PLA has been praised by the masses. These facts clearly show that the people's Army has proved itself to be heroes who defend our motherland and to be pioneers in building two civilizations.

This is the first year for carrying out the Seventh 5-year Plan. Comrade Hu Yaobang said: In the year ahead, the main task of the Chinese people is to embark on the four modernizations with one heart and one mind. To accomplish this great task put forward by Comrade Hu Yaobang, we must persist in simultaneously grasping two civilizations. The activities of joint efforts to build spiritual civilization carried out by the Air Force of the Lanzhou Military Region and Lanzhou Railroad Bureau have set an example in making a good start in this aspect for us.

We must learn from their experiences, make sustained and redoubled efforts, advance on the crest of the victory, further make Army-government and Army-people relations become closer, enhance to a new plane the activities of making Army-people joint efforts to build spiritual civilization, and make new and still greater contributions toward the change of the prevailing habits and customs all over the Divine Land [a poetic name for China] and toward the blossoming of the flower of civilization throughout Gansu.

NINGXIA HOLDS CONFERENCE ON FOREIGN TRADE

HK070954 Yinchuan NINGXIA RIBAO in Chinese 21 Dec 85 p 1

[Report: "Ningxia Regional Conference on Foreign Trade Calls for Recognition of the Strategic Role of Foreign Trade in the Region's Economic Construction"]

[Text] A regional conference on foreign trade was held by the autonomous region people's government from 9 to 14 December. The meeting proposed: It is necessary to unify thoughts and understanding, foster a sense of taking overall interests into account, resolutely establish the strategic role of foreign trade in the region's economic construction, and strive to promote greater development of the region's foreign trade during the "Seventh 5-Year" Plan period.

Speaking at the meeting were Li Xuezhi, secretary of the autonomous region's CPC Committee, and Hei Boli, chairman of the autonomous region's people's government.

In his speech, Li Xuezhi referred to the region's foreign trade situation and spoke on three points: First, as an indispensable part of the region's modernization construction, foreign trade should have a vital strategic role. This is primarily manifested in the following: Enhancing the region's position in the Islamic world would require coordination in foreign trade; acceleration of the region's economic construction would require development of foreign trade in order to earn the foreign exchange needed to bring in advanced technology and equipment; and exploitation and use of the region's rich natural resources would require foreign trade to serve as a channel to enable more products to break into the world market. Second, it is necessary to make every effort to promote the vigorous development of the region's foreign trade. The region has just begun opening up to the outside world, and import-export trade remains a weak link in its economic development. However, we should see the existing strong points as well as admit our own insufficiencies. Based on the requirements of realizing the strategic goal of quadrupling the total output value of the region's industry and agriculture by the end of this century, the rate of development of the region's foreign trade should be slightly higher than the growth rate of its total output value in industry and agriculture during the "Seventh 5-Year" Plan period. At the same time, export earnings should be increased proportionally in the national economy as a whole. Third, it is necessary to strengthen unified leadership and management over all aspects of foreign trade. The key to success in our promotion of foreign trade and in our opening up to the outside world lies in proper attention being paid by party committees and governments at all levels. Practice has shown that relying solely on one department to promote foreign trade is not enough. It is imperative that comrades from all trades and professions show concern about this matter. He urged all localities and all departments concerned to pay attention to solidarity, cooperation, concrete work, beneficial results, unity, and stability, and to strive to promote foreign trade.

In his speech, Hei Boli analyzed the achievements made since the region opened to the outside world, and said: The developmental trends in international trade as well as the realities of our region's foreign trade activities have given rise to many new issues. This requires that we study them seriously, adopt the corresponding policies, cater to world demands, take advantage of opportunities, and open up international markets. Speaking on the major tasks on foreign trade development, Hei Boli stressed the principle of exportation as a priority. He said: The scope of our region's use of foreign capital, introduction of foreign technology and equipment, and import of materials will depend on our capability to pay in foreign exchange. Thus, it is necessary to pay close attention to exports and increase foreign exchange earning capability. All aspects of work on foreign trade, including import-export trade, the use of foreign capital, introduction of technology and equipment, contracts for foreign projects and employment services, and the launching of bilateral and multilateral economic and technical cooperation, should be based upon this fundamental starting point. On one hand, it is necessary to ensure the fulfillment of export commitments; on the other hand, it is necessary to establish and perfect an export industry for agricultural and industrial products possessing distinct Ningxia nationality characteristics. On the question of introduction of technology and equipment, Hei Boli emphasized the need to avoid duplication. The introduction of technology and equipment should be integrated with technological innovation in enterprises and with the enhancing of foreign exchange earning capabilities of export commodities, so that foreign exchange can be used in the key areas. Various flexible methods, such as use of leases, joint production, and compensation trade, should be adopted in order to get more results from spending less foreign exchange. It is necessary to implement the policy of bringing in more technology and less equipment, and to actively develop technology trade. Hei Boli also cited numerous facts to explain the conditions favoring our region's foreign trade development. He expressed hope that all localities and all departments concerned will further unify ideas, foster a sense of taking general interests into account, improve the management system and work methods, coordinate with each other and cooperate closely, and make contributions to bringing about an upswing in the region's foreign trade industry in 1986 and in the "Seventh 5-Year" Plan period.

QINGHAI COMMENTARY ON UPHOLDING STATE TAX LAWS

HK080602 Xining Qinghai Provincial Service in Mandarin 2330 GMT 5 Jan 86

[Station commentary: "Everyone Should Uphold State Tax Laws"]

[Text] Taxation is an important means through which a country accumulates its funds, as well as an important lever used by the country in its economic administration.

Both the party and the state have always attached great importance to taxation. They formulated and revised tax laws on several occasions, and carried out full-scale examinations on tax collection.

In the work concerning tax collection, most of the enterprises and industrial and commercial households run by individuals, observe the law and deliver their taxes. However, there are some enterprises and individuals who violate state tax laws and employ various illegal means to evade taxes or to be in arrears with tax payments. There are even some responsible cadres who do not enforce the law, although they know it, or who go so far as to defy the law and refuse to pay taxes, thereby encroaching on the interests of the state.

Tax evasion is a criminal act. In developing production and increasing profits and income, we must by no means depend on crooked methods or tax evasion. The acts of observing discipline and the law, and paying taxes, are the criterion for judging the party spirit and work style of enterprise leadership and all party members.

Every conscientious citizen should voluntarily observe state tax policies and regulations, and should voluntarily perform the duty of paying taxes.

SNOWSTORMS CONTINUE TO HIT QINGHAI PROVINCE

OW090846 Beijing XINHUA in English 0815 GMT 9 Jan 86

[Text] Xining, January 9 (XINHUA) -- Two persons and one million head of livestock have perished as snowstorms continue to engulf northwest China's Qinghai Province.

But timely relief efforts by the People's Liberation Army have made sure that 30,000 herdsmen stranded in the snow are safe from cold and starvation. Sick people have been evacuated to hospitals.

The blizzards began last mid-October and have affected some 250,000 sq km of the province, trapping the Tibetan herdsmen and three million head of livestock. According to the local meteorological station, snow has accumulated to a depth of one meter in some places and temperatures have dropped to minus 47 degrees centigrade, 17 degrees lower than the mean temperature for this time of the year.
The weather station warned that the heavy snow is likely to continue, with no prospect of a thaw for the next four months.

The provincial government has sent 11 teams made up of 106 doctors to attend to sick hersdmen and their families, and the central government has delivered relief material worth 17 million yuan. In addition, the Chinese Air Force has flown about 510 tons of food and relief material to the trapped herdsmen. Some 3,150 tons of fodder and a relief fund of 100,000 yuan have been delivered to the area to help save the starving animals, but officials are not optimistic about the chances of survival for many of them.

The heavy snow, which also affects northern Tibet, has been caused by the collision of a northerly damp air current from the Bay of Bengal and a southerly cold current from Siberia, according to the provincial weather station.

BAI JINIAN ATTENDS XIAN CITY CPC CONGRESS CLOSING

HK091054 Xian SHAANXI RIBAO in Chinese 25 Dec 85 p 1

[Report by Qu Liang: "Bai Jinian Attends Closing Session of the Seventh Xian City CPC Congress"]

[Text] The Seventh Xian City CPC Congress, which regarded "struggling in unity, persisting in carrying out reforms, and invigorating Xian" as its guiding ideology, came to a triumphant close on 24 December after satisfactorily fulfilling all scheduled tasks of the congress through the common efforts of over 500 delegates in 5 days.

During the congress, the delegates, after serious discussions, unanimously adopted the work report entitled "Struggling in Unity, Persisting in Carrying Out Reforms, and Invigorating Xian" made by Comrade Dong Jichang on behalf of the Xian City CPC Committee, adopted the "proposals concerning the formulation of the Seventh 5-Year Plan for Xian City's national economy and social development" made by the Xian City CPC Committee, adopted the work report by the Xian City CPC Committee Discipline Inspection Commission, and adopted other resolutions. In addition, after thorough consultations, the 551 delegates attending the congress elected by secret ballot the Seventh City CPC Committee, the Xian City CPC Committee Advisory Commission, and the Xian City CPC Committee Discipline Inspection Commission.

The delegates are confident that under the correct leadership of the party Central Committee and the provicial party committees, the newly elected Xian City CPC Committee will certainly be able to lead all the city's people in achieving great unity, carrying out reforms resolutely, and working hard to invigorate Xian.

On the afternoon of 24 December, provincial party Secretary Bai Jinian and provincial Deputy Secretaries Li Gingwei and Li Xipu attended the closing session.

SHAANXI LEADERS VISIT NEW XIAN RAILWAY STATION

HK100521 Xian SHAANXI RIBAO in Chinese 27 Dec 85 p 1

["Report: "Bai Jinian and Others Visit Newly Completed Xian Railway Station"]

[Text] Last night, the dazzling lights of the newly complted Xian railway station attracted large numbers of passengers. Bai Jinian, secretary of the provincial CPC Committee, Governor Li Gingwei, Zhang He, chairman of the provincial Advisory Commission, and leading comrades of the provincial CPC Committee, the provincial Advisory Commission, the provincial Discipline Inspection Commission, the provincial People's Congress, the provincial government, the provincial CPPCC, and Xian City paid a visit to the new, modern building.

Despite the pressure of work, Secretary Bai Jinian arrived at the railway station at 1900. Full of zest, Comrade Bai Jinian took an escalator to the second floor. He looked around the grand building, which has a combination of distictive ancient and modern features, and said repeatedly, "Very good, very good!"

At around 1730, the responsible comrades of the railway station project headquarters recounted their work to Governor Li Gingwai in the first floor waiting room. Then Governor Li went to the second floor together with other leading comrades. When they got to the second floor waiting room, Comrade Li Gingwai was attracted by the enamel wall-paintings "The World Beneath the Sea" and "A World of Fairy Tales." He could not help exclaiming with admiration. "They are really interesting!" When they saw a wall-painting with a Tang Dynasty poem, Governor Li chanted the verses and then said with a smile: "Fine, they are fine!" When they came to "An Illustrated Guide to Scenic Spots in Hanzhong" in the west waiting room on the first floor, Li Gingwei and other leading comrades talked cheerfullly and humorously with animated gestures. The lacquer painting "Yanan's Golden Autumn" evoked many veteran leaders' memories of past revolutionary years. They viewed and admired the painting with rapt attention and were unwilling to leave. "Whose masterpiece is it?" Governor Li's question drew out Miao Chongan, the painter who is also vice president of the Xian Institute of Traditional Chinese Painting. The governor then shook hands with the artist.

When the leading comrades of the province and city were about to leave, the comrades of the railway construction headquarters expressed their determination to regard the encouragement of the leading comrades as the motive force, do a good job with the extension project, and add glory to the ancient city.

FORUM URGES FLEXIBILITY IN POLICY MATTERS

HK031013 Beijing ZHONGGUO XINWEN SHE in Chinese 1205 GMT 1 Jan 86

[Text] Hong Kong, 1 Jan (ZHONGGUO XINWEN SHE) -- According to reports from Taipei, some 40 Taiwan and Overseas Chinese scholars believe that Taiwan's existing economic, social, and cultural problems are, in the final analysis, absolutely related to politics, and that whether in theoretical deduction or realistic analysis, it will be increasingly difficult for Taiwan to maintain its present status. They pointed out that Taiwan's economic development is in a "bottleneck" and that it is necessary to make flexible changes in handling problems regarding the two shores of the strait as well as on international problems in order to create new opportunities. According to a report in Taiwan's LIEN HO PAO, the scholars attended a forum on "Probing the Country's Development in the Next 10 Years" sponsored by the "LIEN HO PAO cultural fund" and the CHUNG KUO LUN T'AN [CHINA TRIBUNE] and held in Taiwan from 27 to 29 December last year. They discussed Taiwan's present problems and development in the next 10 years, as well as the path that should be taken. Taiwan University Professor Yang Kuo-shu made the above-mentioned statement in his final report on behalf of the participants on 29 December.

The report also said that the Taiwan authorities should seek stability amid dynamism and play the role of challenger to the mainland's development. At the same time, they should be more flexible on policy matters in order to come up with outstanding policy breakthroughs.

RADIO DESCRIBES MODERNIZATION OF DEFENSE

OW091053 Beijing in Mandarin to Taiwan 0130 GMT 9 Jan 86

[Excerpts] Dear listeners: As you know, the government and people on the motherland's mainland are working hard with one heart and one mind, and are going all out to accomplish the four modernizations. One of the four modernizations is the modernization of national defense. Since 1978, the motherland's mainland has made great progress in the modernization of national defense on the basis of steady economic development. In conventional arms, the Army is currently equipped with all types of new weapons, heavy and medium artillery, tanks, and armored vehicles; the Navy has guided-missile destroyers, guided-missile frigates, guided-missile fast attack craft, landing ships, antisubmarine vessels, torpedo boats, minesweepers, conventional submarines and special submarines; and the Air Force has interceptors, bombers, fighters, transports, helicopters, and air-to-air missiles. In strategic nuclear weapons, we not only have atomic and hydrogen bombs, we also have intermediate-range and long-range surface-to-surface guided missiles. The PLA now has a strategic nuclear counterattack capability.

Dear listeners, the PLA military training is currently active, with a new situation of vitality and vigor. The PLA's new achievements in modernization have been vividly shown by the PLA's improved military and political quality, and its improved equipment; by its enhanced combat effectiveness in a modern war, by the combined military exercise it held; by the successful launching of a long-range carrier rocket, and the successful underwater launch of a carrier rocket from a submarine; and by the victory won in the self-defense counterattack against Vietnam.

Dear listeners, the government of the motherland has made new and important achievements in the modernization of national defense, and our national strength has become stronger and stronger. This is a fact for all to see. The stronger the national defense capability on the motherland's mainland, the more the guarantee for the four modernizations. To step up the modernization of our national defense, not only conforms to the Chinese people's fundamental interest, but is also a strong prop for all peace-loving countries and people in the world.

TAIWAN REITERATES STAND ON ADB MEMBERSHIP

OW090157 Taipei CNA in English 1442 GMT 8 Jan 86

[Text] Taipei, Jan 8 (CNA) -- The Governmentof the Republic of China reiterated Wednesday its stand on the ROC's membership in the Asian Development Bank, [ADB] saying that it will not accept any decision that will affect its interests, rights, status and name in the bank.

Chiu Chin-yi, spokesman for the Ministry of Foreign [words indistinct] aid the entry of a new member into the ADB, which is a regional monetary organization, should not attach any political conditions, nor should it affect the interests, rights, status and name of an incumbent member," Chiu said.

Chiu stressed that the ROC will not accept any decision that will affect its interests, rights, status and name in the bank. Chiu's statement was made in response to a report that the ADB's board of managing directors has agreed to accept Peiping's conditions for its entry into the bank.

Reportedly, the ADB held a meeting Tuesday to discuss Peiping's admission to the bank. Details of this meeting, however, have not been disclosed.

U.S. CONGRESSMEN URGE SUPPLYING ADVANCED WEAPONS

OW100329 Taipei CNA in English 0249 GMT 10 Jan 86

[Text] Taipei, Jan. 9 (CNA) -- Members of the U.S. House of Representatives who left here Thursday after a brief visit said that the United States should supply the Republic of China with adequate defensive weapons.

Speaking at a press conference, Rep. Harold L. Volkmer, (D-Missouri) said that he agreed to the remarks made by Sen. Barry Goldwater, R-Arizona, in Taipei earlier this week that the U.S. Government should sell F-20 aircraft and other sophisticated weapons to the Republic of China.

He said he will urge the U.S. Government to sell the Republic of China not only F-20 aircraft but also new missiles in order to meet this nation's defense needs.

He also supported Sen. Goldwater's plan to have the Senate Armed Services Committee hold a hearing on the implementation of the Taiwan Relations Act, which stipulates that the United States should supply the Republic of China with adequate defensive weapons. A similar hearing should be held in the House of Representatives, he added.

The Taiwan Relations Act, which was enacted about seven years ago, should take precedence over the Washington-Peiping communique signed in 1982, he stressed. The communique is only a memorandum, he added.

Charlie Rose, North Carolina, said that, as a result of his visit to Taiwan, he was recognized the importance to enhance the security of this part of the world. The security of Taiwan is vital to the peace in the Asian-Pacific region and also to the stability of the whole world, he added.

More than 10 U.S. Congressmen arrived here last week to familiarize themselves with the current situation in the Republic of China. While here, they met with Premier Yu Kuo-hwa and some other high-ranking government officials and visited cultural and economic establishments.

PRESIDENT CHIANG RECEIVES VISITING CONGRESSMEN

OW100253 Taipei CNA in English 0232 GMT 10 Jan 86

[Text] Taipei, Jan. 9 (CNA) -- President Chiang Ching-kuo told two delegations of U.S. congressmen Thursday that the future development of cooperative ties between the Republic of China and the United States is based on the common understanding of the two peoples on how to further strengthen substantive relations between the two nations.

President Chiang received the two visiting delegations respectively at the presidential office. The visiting congressmen were Edward R. Madigan, R-Illinois; Charlie Rose, D-North Carolina; Jerry Huckaby, D-Louisianna; Arlan Stangeland; [as received] R-Maine; Webb Franklin, R-Mississippi; Robert F. Smith, R-Oregon; Tom D. Delay, R-Texas and their wives and David Dreier, R-California.

President Chiang, on behalf of the government and the people of the Republic of China, extended his hearty welcome to the American guests for their visit and exchanged views with them on matters of mutual concern.

The U.S. lawmakers expressed to the president their thanks for the audience. They also told President Chiang their impressions of what they have been here. The majority of them are here for the first time.

Accompanying the visitors during the audience were Presidential Secretary General Shen Zhang-huan and Vice Foreign Minister Ding Mou-shih.

BRIEFS

256-K MEMORY CHIP -- Taipei, Dec. 30 (CNA) -- A computer company in the Republic of China announced Monday it has successfully developed a new 256-kilobit semiconductor memory chip. So far, only one other computer firm, in the United States, has introduced a similar product on the market, it said. Quasel Taiwan Co. Ltd., a hi-tech company in the Hsinchu science-based industrial park some 100 kilometers south of Taipei, said the success in the development of this new product should be attributed to the application of the tungsten silicide gate technology Quasel, itself, developed. A company spokesman said the new product is different from the traditional 256-k memory chip because it involves higher technological levels. Explaining the difference between its product and that of Intel's, the spokesman said the most significant breakthrough is that his company's product is able to keep the stored information intact while encountering a power failure. This is because the new memory chip was designed to rely on a set of small batteries to maintain its memories, he said. [Excerpt] [Taipei CNA in English 0309 GMT 31 Dec 85 OW]

BEIJING MILITARY REGION DECIDES ON WORK GOALS

HK070241 Hong Kong MING PAO in Chinese 7 Jan 86 p 5

["Special Dispatch From Beijing": "Beijing Military Region's Work Goal Is To Strengthen the Companies Within 2 Years; Focus Is on Grasping Work Concerning Officers"]

[Text] The Beijing Military Region has decided to spend 2 years in changing the weakness in grass-roots building and bringing about an all-round improvement in the military and political qualities of company officers. This was the work goal proposed by Commander Qin Jiwei at a recent regional conference on grass-roots building.

In order to find the problems in grass-roots building, six members of the military region CPC Committee including Commander Qin Jiwei and Political Commissar Yang Baibing went down to various companies from 13 December to 6 November [as published] to make direct contact with the company officers and troops, conduct investigation and study, and get hold of first-hand material. These visits were unannounced and unaccompanied, and they did not listen to reports during their visits. According to our information, through holding forums, holding individual chats, and surveying opinions, these military region leaders listened carefully to the views and cries of the company officers and troops; and through in-person observations, they got a clear idea of the existing practical problems in the companies.

On the basis of full investigation and study, the Beijing Military Region convened a conference on grass-roots building on 15 November, to analyze the situation in typical units and in grass-roots building.

Summarizing everyone's views, Commander Qin Jiwei delivered a speech entitled "A Number of Questions in Strengthening Grass-roots Building." He spoke on 12 issues: 1) shift the focus of attention to grasping the grass roots; 2) it is essential to go down to the grass roots in order to grasp them; 3) focus efforts on providing "help"; 4) the key to grasping the grass roots lies in grasping the officers; 5) bring into full play the role of the company CPC and CYL branches and the revolutionary servicemens' committees; 6) build a powerful backbone officer contingent; 7) strictly manage the units according to the regulations; 8) enliven democratic life in the companies; 9) make big efforts to improve and strengthen ideological and political work in the companies; 10) tangibly straighten out the atmosphere in the units; 11) vigorously step up military training; 12) strive to improve the companies' material and cultural life.

Qin Jiwei pointed out that in the past 2 years the leading organs at and above divisional level in the Beijing Military Region have been busily engaged in party rectification and in streamlining and reorganization. There have been relatively more activities in the upper levels, and relatively less effort has been devoted to grass-roots building. Party rectification in the party committees and organs at army and divisional levels has now been basically completed throughout the military region. The streamlining and organizational readjustments of the combined arms armies and the provincial military district organs can be basically completed by yearend. Beginning in 1986, the leadership and the organs at all levels should gradually shift their focus of attention to grasping grass-roots building.

The CPC Central Military Commission circulated the text of Qin Jiwei's speech on 26 November, and pointed out that as streamlining and reorganization is gradually being launched in the grass roots and party rectification is about to start at regimental level and below, the CPC committees at all levels must concentrate their efforts on doing a good job in grass-roots building.

## WEN WEI PO ON LACK OF INDIVIDUALITY IN ARMY FILMS

HK070419 Hong Kong WEN WEI PO in Chinese 7 Jan 86 p 7

[Report: "BA YI DIANYING [1AUGUST FILM STUDIO] Analyzes Reasons for Lack of Individuality in Army Films"]

[Text] In an article written for BA YI DIANYING, Zhou Tianzhen points out that it is really incomprehensible that some of our films often minutely describe how soldiers (in particular veteran soldiers) long to employ their prowess to the full in wars and how they cannot stand the monotony of peace. Didn't this army of ours fight over the last few decades for peace and stability? Are we soldiers living in this world only for bloody killing? If this is true, then what is the difference between us and those fascist troops and mercenaries who live on killing? In fact, authors just mechanically copy the techniques found in foreign works when describing a soldier's mentality. Of course, this does not show unique and distinct individuality.

Zhou Tianzhen believes that the notorious "summary" of army literature and art work concocted by Lin Biao, Jiang Qing and their ilk still exercises its pernicious influence, and that fallacies like "just wars are not cruel" and so on, still have their market. Several years ago, wasn't there a resolution presented to the highest leaders of the central authorities for judgment, on "how many corpses should lie in the battlefield?" Up to this day, whenever writing about scenes of a just war, playwright and directors still feel hesitant. It seems that sacred things must be shown in sacred pictures and with sacred language. Otherwise, it is blasphemous and cannot be approved. If it is so, there can't be any distinct individuality.

## WORK RESUMES ON HENGYANG-GUANGZHOU RAILROAD

HK070651 Hong Kong TA KUNG PAO in Chinese 6 Jan 86 p 1

["Special Dispatch": "Work Resumes on Double-Tracking Hengyang-Guangzhou Railroad"]

[Text] After New Years Day, work resumed on double-tracking the Hengyang-Guangzhou railroad, the construction of which had been suspended for some time. When construction of the double-track Hengyang-Guangzhou railroad is completed, the new line will be linked to the double-track Guangzhou-Shenzhen railroad. This will greatly raise the railroad's north-south transport capacity and will, in turn, be beneficial in transporting import and export goods.

The construction of the double-track Hengyang-Guangzhou railroad includes the construction of a 526.6-kilometer double-track railroad from Hengyang to Guangzhou, interchanges and so on. Work on double-tracking the railroad started in 1978, but construction was carried out at a slow pace because of lack of investment, and construction work stopped in the second half of last year. In December last year, leading comrades of the CPC Central Committee held a meeting in Guangzhou and expressed the CPC Central Committee's determination to accelerate construction of the project. Now a headquarters in charge of work on the double-tracking of the railroad has been set up by the Ministry of Railroads, and will start work in Shaoguan within a few days. Leading groups for railroad construction have been set up in all the counties, cities and prefectures along the railroad line, and in all units involved in railroad construction. The construction sites at the Dayaoshan Tunnel and the interchange in Guangzhou, which had been quiet for some time, are again seething with excitement.

The investment problem, which could not be overcome in the past, has now been solved. In the first quarter of this year, the state has invested 125 million yuan, altogether in the project in 1986.

In order to accelerate the speed of construction, Guangzhou Railroad Bureau will be chiefly responsible for construction of the project and will handle all investment. They will divide the whole project into several small projects and invite tenders from within and outside the railroad department and its affliated departments, and also from construction units. Within a short period of time, they have taken the folowing actions:

-- A comprehensive plan for accelerating the construction of the project has been made and has been submitted to the Ministry of Railroads for examination and approval.

-- The headquarters in charge of the work on double-tracking the Hengyang-Guangzhou railroad, which is under Guangzhou Railroad Bureau, was set up on New Year's Day this year. All units of Guangzhou Railroad Bureau have been asked to transfer cadres to the headquarters. The units that have been requested to transfer cadres, and the cadres who will be transferred, have been asked to obey orders resolutely. In the past few days, most of the headquarters staff have begun working in their respective posts.

-- The construction team of 1,800 workers has recovered from its half-working status of the past, and has started working again at full capacity. Some other construction teams stationed in other provinces, such as in Hunan Province and so on, have begun to move south in order to take part in the construction of the project. In the first quarter of this year, there will be nearly 4,000 people taking part in the construction work.

-- A batch of engineering and technical personnel have arrived on the construction sites and started various types of technical checks on the small projects under construction. They have begun making plans to invite tenders for the small projects whose construction work has not yet begun.